Daily Report

Near East & South Asia

FBIS-NES-88-122
Friday
24 June 1988

Daily Report
Near East & South Asia

FBIS-NES-88-122 *24 June 1988*

CONTENTS

MIDDLE EAST & SOUTH ASIA REVIEW

24 June Middle East and South Asia Review 1

INTERNATIONAL AFFAIRS

Inter-Arab Affairs

Arab League's Chedli Klibi Interviewed *[London AL-SHARQ AL-AWSAT 21 Jun]* 2

Palestinian Affairs

'Arafat Appeals to Arab Presidents on Camps War *[Sanaa VOP]* 4
Libyans Reportedly Mediating *[WAM]* 4
PFLP on Mount Hermon Battle, Abu Sharif *[Al-Quds Palestinian Arab Radio]* 4
Fatah Dissidents Denounce Call for U.S. Contacts *[Beirut Voice of Lebanon]* 4

ARAB AFRICA

Egypt

Official Outlines Position on Tabah Issue 5
Israeli Charge of Treaty Violation Rebutted *[London AL-SHARQ AL-AWSAT 20 Jun]* 5
'Abd Al-Majid Meets With Businessmen, Envoys 5
Meets With Soviet Ambassador 5
Ghali Welcomes Toronto Summit Declaration 6
Reportage on Negotiations, Talks With IMF 6
Mideast Official Arrives 6
IMF Official, Mustafa Meet 6
Consultations Detailed 6
Al-Janzuri Speaks on 1988-89 Economic Plan *[AL-AHRAM 20 Jun]* 6
Finance Minister Explains 1988-89 Budget *[AL-AHRAM 20 Jun]* 8
Prime Minister Cited on Investment Firms 13
Commander for Northern Military Zone Appointed 13

Libya

Opposition to Syrian Missile Purchase Viewed 13
Al-Qadhdhafi Receives OAU Secretary General *[PANA]* 14
Mediterranean Friendship Conference Ends 21 Jun 14

Tunisia

Further Reportage on Visit by Iraq's Ramadan 14
Received by Ben Ali 14
Further on Talks With Ben Ali *[Baghdad Voice of the Masses]* 15
Meets Interior Minister *[INA]* 15
Attends Signing of Agreement 15
Baccouche Receives Fahd Message From Saudi Envoy 16

ARABIAN PENINSULA

Bahrain

Prime Minister Interviewed by AL-AKHBAR *[21 Jun]* 17
Crown Prince on Hajj, Gulf War, USSR *[London AL-SHARQ AL-AWSAT 18 Jun]* 18

United Arab Emirates

AL-ITTIHAD on Heir Apparent-Murphy Meeting *[21 Jun]* 19

IRAQ

Reportage on Gulf War Combat Activities 21
Iranian Claims on Raids Denied 21
Communique No 3,227 21

ISRAEL

Rabin Views U.S. Trip, New Policy in Territories 22
Cairo Confirms New Ambassador to Egypt *[THE JERUSALEM POST 23 Jun]* 22
MK Olmert Departs on 'Secret' Visit to Europe 22
Tamir Discusses Relations With Japan, Uno Visit *[THE JERUSALEM POST 24 Jun]* 22
Shamir Views Call Urging Palestinians To Riot 23
Rabin Rejects IDF Role in 'Political Solution' *[THE JERUSALEM POST 23 Jun]* 24
Conference Attendee Denies Meeting With PLO *[THE JERUSALEM POST 23 Jun]* 24
IDF Denies Palestinian Prisoner Tortured *[THE JERUSALEM POST 23 Jun]* 25
Levi Plans New 'Housing Units' for Territories 25
Doctors Refute Rabin on Effects of Tear Gas 25
More on Unrest, Related Incidents in Territories 25
Jew Stabbed in Hebron 25
5 Arrested for Stone Throwing *[THE JERUSALEM POST 24 Jun]* 25
Curfew Imposed in Gaza Camp 26
IDF Seizes West Bank House 26
Arabs Claim IDF 'Ran Amok' *[THE JERUSALEM POST 24 Jun]* 26
Mitzna' Orders Detainees Freed 26
Court Overturns Detention Order *[THE JERUSALEM POST 24 Jun]* 26
Data on Registration of Pilgrims to Mecca *[HADASHOT 20 Jun]* 27
Israeli Arabs Arrested for Weapons Possession 27
Bedouins Arrested for Throwing Stones at Police 27
Commentary Analyzes Status of Jordanian Option *['AL HAMISHMAR 23 Jun]* 27
Moderates Urged To Accept Abu Sharif's Challenge *[MA'ARIV 23 Jun]* 29
Secure Borders Concept Termed 'Meaningless' *[AL-NAHAR 21 Jun]* 30
Policy of 'Suppression' Termed 'Failure' *[AL-SHA'B 21 Jun]* 30
Algiers 'Secret Accords' on Aid to PLO, Jordan *['AL HAMISHMAR 19 Jun]* 31
HA'ARETZ Analyzes Labor Party Elections *[17 Jun]* 31
Peres, Shamir, Other Leaders' Popularity Polled *[MA'ARIV 17 Jun]* 32
Poll Gives Alignment Advantage *[HA'ARETZ 22 Jun]* 33

JORDAN

Reportage on Visit by Japanese Foreign Minister 34
Arrives 23 Jun 34
To Offer Low Interest Loans *[Tokyo KYODO]* 34
Further on Talks 23 Jun 34
Prince Hasan News Conference 35
Japanese Officials Cited 37

LEBANON

Waite, Other Hostages Reportedly Moved to Tehran *[RFL]* 39
Further Reportage on Inter-Palestinian Fighting 39
Casualties Updated *[VOL]* 39
Situation 'Very Tense' *[Radio Monte Carlo]* 39
Cease-Fire Decision Reached *[VOM]* 39
'Guarded Calm' in Shatila *[VOL]* 39
Syrians Reportedly Moving Into PSP Areas *[RFL]* 39
Weapons, Rocket Launchers Seized in Sidon Area *[VOL]* 40
3 Resistance Operations Reported in South *[VOM]* 40
UN Officers Assail SLA Behavior in South *[AFP]* 40
Birri Vows Detente or Delayed Elections 41
Italy To Help Dispose of Toxic Waste Barrels *[VOL]* 41
Italian Interests Threatened *[AFP]* 41
Narcotics Discovered in Fruit Consignment *[VOL]* 42

SYRIA

USSR To Establish 'Permanent Base' at Tartus *[RFL]* 43
Japanese Foreign Minister Continues Visit 43
Holds Talks With Al-Asad 43
Says Japan Seeks Mideast Role *[Tokyo KYODO]* 43
Calls Visit Successful, Departs 43

SOUTH ASIA

Afghanistan

PDPA Official on Willingness To Share Power *[Belgrade TANJUG]* 44
Army Official Predicts War 'for Several Decades'
[Moscow KOMSOMOLSKAYA PRAVDA 21 Jun] 44
Mujahidin Government 'Fabricated' by Ziaul Haq 45
Government, Rebel Operations, Clashes Reported 46
Qandahar, Herat Operations *[Islamabad]* 46
Qalat, Spin Buldak Victories 46
Qandahar Missile Attack Foiled 46
Rebel Killed in Kabul Explosion 47

India

Uttar Pradesh, Maharashtra Ministers Resign 47
13 'Terrorists' Arrested, 2 Killed in Punjab 47
Briefs 47
Protocol With Afghanistan 47

Iran

Musavi-Ardabili Delivers Friday Prayers Sermon 48
Spokesman Clarifies Larijani Remarks to Britons 48
Britain Ends Iraqi Military Training Program 48
Signing of Compensation Agreement 'Next Week' 49
UN Envoy, Secretary General Discuss Toxic Gas 49
UN Probe Said 'Positive Step' 50
Further Reportage on Visit of DPRK Premier 50
DPRK Minister, Ayatollahi Meet 50
2d Round of Talks With Musavi 50
Departs Tehran 24 Jun 50
Saudi Hizballah Pledge To Obey Khomeyni 51
Afghan Group Vows 'Struggle Will Continue' 51
Phone-In Program Discusses Security Issues 52

Construction Jihad's Landing Craft Launched 53
Mobilization Forces Depart From Chalus 54
Combat Operations in War With Iraq Continue 54
Communique No 3,242 54
Iraqi Planes Overfly Orumiyeh 54
Kurds Attack Bases in Iraq 54
'Martial Law' Reportedly Imposed in Tehran *[Flag of Freedom]* 54
Majlis Speaker Said To Arrest IRGC Commanders *[Flag of Freedom]* 54
Troops Urged To Leave Khomeyni's Armed Forces *[Voice of the Crusader]* 55
Tudeh Leaders Meet With E. European Party Chiefs *[Flag of Freedom]* 55
Briefs 55
Narcotics Seized in Kerman 55

Pakistan

Indian-Israeli Collusion Sparks 'Serious Concern' 55
Commentary on 'Strike' Plan 55
Foreign Minister To Visit China 26 Jun 56
UN Observer Team Visits Afghan Border Areas 56
Ziaul Haq Appoints Acting Governor of Sind 56
Baluchistan Caretaker Chief Minister Sworn In 56
Differences With Bhutto Cited in Opposition Split *[Delhi]* 57
U.S. Report on Indian Arms Buildup Viewed 57
Violence in Sind Towns Continues; Curfew in Dadu 57
3 Killed, 1 Injured in Hyderabad Violence 58
Economic Survey Warns of 'Fiscal Imbalance' 58

Sri Lanka

TULF Leader Amirthalingam Returns From India *[AFP]* 58
Indian Troops Kill 15 LTTE Men in Vavuniya *[Delhi]* 59

24 June Middle East and South Asia Review

LD2406132588 [Editorial Report]

Israel

A phased early-release program will be implemented for Palestinian detainees from areas of "relative quiet," Defense Minister Yitzhaq Rabin announced in remarks carried by Jerusalem radio.

The defense minister described the new directive as a "carrot-and-stick policy" whereby the Palestinians will receive "the carrot and not always the stick."

Rabin noted, however, that the administration is not planning to ease its policy on deportations. Israel "will continue enforcing deportations selectively," he affirmed. Pursuant to the new policy, more than 150 detainees in the occupied territories were ordered released, the radio added.

A Jewish man was stabbed in Hebron 24 June, Jerusalem radio reported, adding that the victim managed to fire his gun and wound his assailant.

Syria

President Hafiz al-Asad told visiting Japanese Foreign Minister Sosuke Uno that Syria is "eager for a just peace" in the Middle East, Damascus radio reported. According to KYODO, the president stressed his country's "flexible" position on the question of an international conference.

The Japanese minister briefed Al-Asad on the Toronto summit's discussions on the Mideast and assured the president that Japan "wants to make a contribution" to the settlement of the Arab-Israeli dispute.

Lebanon

Internecine clashes continued among Palestinians in the Burj al-Barajinah and Shatila camps, Beirut radio reported, adding that contacts are underway to enforce a cease-fire. Voice of Lebanon noted that 7 people were killed and 27 wounded in fighting 23-24 June.

Iran

In a predeparture ceremony for DPRK Premier Yi Kun-mo, Prime Minister Hoseyn Musavi said the visit "opened a new chapter in Tehran-Pyongyang relations," IRNA reported.

President 'Ali Khamene'i hailed the visit's "excellent result." The sides signed a "note of understanding" on technical and mineral cooperation, trade, and fisheries.

Iran-Iraq War

INA reported an Iraqi military spokesman's denial of Iranian allegations that a residential area was targeted in the 23 June bombing raids. He said the Air Force acted only against oil installations and military targets.

Afghanistan

The formation of a mujahidin interim government "from the soil of Pakistan" is "another flagrant violation of the Geneva accords," BAKHTAR commented. The rebel government "has evoked the wrath and indignation" of the Afghan people, who "will never recognize" such a government "fabricated" abroad, the commentary contended.

Inter-Arab Affairs

Arab League's Chedli Klibi Interviewed

PM2306140988 London AL-SHARQ AL-AWSAT in Arabic 21 Jun 88 p4

[Interview with Arab League Secretary General Chedli Klibi by 'Abd al-Bari 'Atwan and 'Abd al-Jalil Damaq in Tunis; date not given]

[Excerpts] [Question] Why did we have to wait 6 months before the summit conference on the uprising could be held?

[Answer] The truth is that it was not a long wait. The Arab League Council has held three sessions since the outbreak of the uprising. At that time Algerian President Chadli Bendjedid called for an emergency summit conference and the response of the member states was quick and unanimous. [passage omitted]

[Question] Regarding the heads of state who were absent from the summit, it has been asserted that President Saddam Husayn did not attend because the conference was not scheduled to discuss the Iraq-Iran war in detail. Is that true?

[Answer] No, it is not true. We must realize—and you as a journalist know best—that the circumstances of the war at the time of the summit did not allow President Saddam Husayn to attend. He was leading some battles himself, so he was at the front and everyone understands that. When I met with President Bendjedid to discuss preparations for the conference we talked about the possibility of Saddam Husayn's absence. He said: I do not expect the Iraqi President to attend and I understand his circumstances.

The summit decided that the uprising should be the only item on the agenda. The reason was to honor the Palestinian people and tell the world that the Palestinian question is always the pivot of the Arab states' interests, but, nonetheless, the final statement devoted whole and detailed paragraphs to the Iraq-Iran war. It deplored and condemned Iran's determination to continue the war and not to heed resolution 598 and it appealed to the international community to make every effort to ensure that the necessary steps are taken, such as banning the supply of arms to the side which refuses to abide by the will of the international community.

Because the final statement was thorough and comprehensive, President Saddam Husayn himself expressed satisfaction with, and high appreciation for, the Algiers summit declaration and final statement. [passage omitted]

[Question] Do you think there is a change in the Libyan and Syrian positions on the war and on support for Iran?

[Answer] I do believe so. Let us take Libya, for example. Colonel Mu'ammar al-Qadhdhafi's attitude changed some time ago. I do not want to boast that I contributed to that but this must be said for the record: After the U.S. aggression against Libya I held a long meeting with Col al-Qadhdhafi and we discussed the attitude of Arab states to Libya and the latter's position on some issues such as the one in question. I found him responsive. Col al-Qadhdhafi then met with a number of Arab officials and he listened to the views of others with full understanding when it was maintained that pan-Arab security was as much threatened in Iraq and the Gulf as it was in Libya or Palestine.

As regards Syria, it had its own analysis but when it comes to Arab territory, the Syrian position is not different from the position of the rest of the member states namely that all parts of the Arab homeland must be defended without discrimination.

[Question] Do you believe that the summit conference has given the young stone throwers what they had hoped for?

[Answer] Yes. What the uprising needed was a collective attitude toward world opinion and Israel. The summit conference was a very important meeting which provided the evidence of unanimous Arab support for the Palestinian struggle. That in itself is of great political significance. Furthermore, the summit adopted measures for continuing political, diplomatic, and informational work in support of the uprising which also needs material means of support, and that was also clearly covered. So, we can confirm that the uprising has got everything that it could possibly get from any Arab summit conference. The summit was held on a very urgent basis and in good circumstances. It was attended by the vast majority of Arab leaders and its resolutions were passed unanimously without any hesitation by any party—and that is a great gain for the Palestinian struggle.

[Question] What about material aid? The amount is still not known.

[Answer] Those directly concerned know it well.

[Question] Is it satisfactory?

[Answer] Most satisfactory. The PLO got what they asked for.

[Question] Does this mean that the PLO is the party in charge of this aspect?

[Answer] Yes, we do not handle the financial aspect of the Arab aid for the uprising, although we care about it. We take care of the political, diplomatic, and informational support. [passage omitted]

[Question] The picture of Col al-Qadhdhafi's attendance of the summit as portrayed by the Western media was provocative.

[Answer] Col Mu'ammar al-Qadhdhafi has his own style and personality. I believe that the summit gained from his presence and from his views and ideas. Contrary to what some foreigners may think, the colonel's position is not negative. It is linked to fixed pan-Arab principles.

[Question] Why did Col al-Qadhdhafi attend this summit after such a long absence, since 1970 to be specific?

[Answer] He attended because he believes that there are two fundamental causes: The cause of the Palestinian people and the cause of unity. The conference was convened in support of the Palestinian cause, so he could not stay away. He himself raised the other issue at the final session of the summit conference when he said: I have a unity plan which I submit to you.

He submitted a number of documents containing his views, ideas, and studies on the matter, and he said: I hope that these documents can be discussed on a future occasion. [passage omitted]

[Question] Do you expect Europe to make any decisions [in connection with the uprising]?

[Answer] We shall see. I notice that Europe has taken some advanced positions on the uprising and it has suspended some agreements with Israel— for brief, symbolic periods—and has offered sizable material aid to the Palestinian people. What was said yesterday in Luxembourg at the signing of the GCC-EEC agreement was positive on all Arab issues. This is a sign that the the European position is developing and we should help it develop further. [passage omitted]

[Question] Has the way now been paved for the Riyadh summit conference?

[Answer] It is up to King Fahd, custodian of the two holy mosques, but I believe that many of the obstacles which have made convening the Riyadh summit conference difficult have now been removed or are in the process of being removed.

[Question] What obstacles remain?

[Answer] The Riyadh summit will be the summit of the new charter which must be approved in a very pure atmosphere of full accord.

[Question] Could such a charter be ratified in the absence of Egypt?

[Answer] Our states will find the appropriate formula for Egyptian participation. Egypt has been saying for years, and even recently, that the Arab League should be developed and supported. Egypt contributed significantly in the preparation of the amendment. Many Egyptian men of law and politics participated in the work of the committees in charge of charter amendment.

[Question] Was this matter discussed at the Algiers summit?

[Answer] The summit was confined to the uprising.

[Question] Even at the peripheral meetings?

[Answer] Attention was focused on the uprising, the Gulf war, and the question of an international conference. [passage omitted]

[Question] What about Afro-Arab cooperation and what effect has the Arab financial situation had on this cooperation?

[Answer] That, without doubt, is our problem now because the African brothers are complaining that Arab aid is too little. The fact is that Arab aid even to the Arab states has diminised because of the economic crisis. However, what our Arab states have given and are giving to Africa is very significant. [passage omitted]

[Question] How can terrorism against Arab states be opposed with a demonstration of solidarity?

[Answer] That will emerge, now that Tunisia has twice been the target of Israeli terrorism. Israel has proved that it can reach every Arab state however far. Its attacks on the Baghdad nuclear reactor and twice on Tunisia are examples. This is bound to increase our states' solidarity and determination to confront aggression.

[Question] Will this affect Shultz' shuttle diplomacy?

[Answer] It will be a factor that will contribute to the modification of the [Shultz] plan. It was Israel that rejected the initiative. We are not like the pampered Israeli child who rejects all initiatives. We address them logically and we state frankly what should be modified. The truth is that the U.S. position, with its shortcomings, has begun to develop regarding the question of an international conference, but not sufficiently. At first the United States rejected the conference idea and then accepted the idea of a ceremonial conference. Now Shultz says that the conference could play a follow up part. This step is insufficient and it should be followed by other steps. The duty of our states, and of influential friendly states, is to develop the proposed initiatives until they reach a satisfactory level.

Palestinian Affairs

'Arafat Appeals to Arab Presidents on Camps War

JN2306173588 Sanaa Voice of Palestine in Arabic 1600 GMT 23 June 88

[Text] Brother leader Abu 'Ammar [Yasir 'Arafat] has sent urgent messages to Syrian President Hafiz al-Asad, Libyan President Mu'ammar al-Qadhdhafi, and Algerian President Chadli Bendjedid urging them to intervene quickly to stop the shedding of Palestinian blood in the Shatila and Burj al-Barajinah refugee camps, which are subjected to continuous siege and shelling by the renegades and criminals of Abu Musa's [Sa'id Musa Muraghah's] clique.

In his messages, Brother Abu 'Ammar stressed that the acts of Abu Musa's gangs against the masses of our people in the West Beirut camps constitute a clear conspiracy against the masses of our Palestinian people, who have been staging their uprising for the last 7 months against the Zionist existence. These acts are in line with Zionist and American designs against the Palestine question.

Libyans Reportedly Mediating

JN2406081588 Abu Dhabi WAM in Arabic 0750 GMT 24 Jun 88

[Text] Abu Dhabi, 24 Jun (WAM) — Informed Palestinian sources in Tunis have said that Libyan officials have been holding intensive contacts among all Palestinian factions for the past few days to stop the camps war in Beirut.

In today's issue, the newspaper AL-ITTIHAD cites these sources as saying the Fatah Movement, represented in these contacts by Hayil 'Abd al-Hamid, Fatah Central Committee member, and Abu al-Mu'tasim [Ahmad 'Afanah], Palestine Liberation Army chief of staff, showed its readiness to recognize the Abu Musa [Sa'id Musa Muraghah] group as an independent faction on the condition it not bear the name of Fatah Uprising.

The Fatah Movement also authorized the Libyan officials to take whatever measures they deem appropriate to end the clashes within the framework of the Palestinian constants on the camps, led by noninterference in the camps' security and not deporting their residents.

PFLP on Mount Hermon Battle, Abu Sharif

JN2306155288 (Clandestine) Al-Quds Palestinian Arab Radio in Arabic 1433 GMT 23 Jun 88

[Text] A fierce encounter occurred on the occupied western slopes of Mount Hermon at dawn yesterday between the Zionist enemy forces and a PFLP fedayeen group which was on its way to Palestine. Following this fierce confrontation, a number of the Zionist enemy forces were wounded and the enemy succeeded in capturing the members of the heroic group.

The PFLP issued a statement on this operation, in which it said: Let all traitors and capitulationists know that our people's will and solid revolution are stronger than all their might and plots, that the convoy is long, that our heroes, who are now waging the epic of heroism, are writing the birth of this people and charting freedom and independence with their pure blood.

Regarding the capitulatory document of the so-called Bassam Abu Sharif, 'Arafat's political adviser, the PFLP statement said: Our heroes are replying to the symbol of deviation, Bassam Abu Sharif, by stating that the solution lies in fighting the enemy and tipping the balance of power in favor of the Palestinian revolution and not by making concessions to the enemy and preparing for bilateral negotiations.

Fatah Dissidents Denounce Call for U.S. Contacts

NC2406054988 Beirut Voice of Lebanon in Arabic 0515 GMT 24 Jun 88

[Text] Fatah dissidents have strongly denounced the declaration made by the PLO chairman's adviser Khalid al-Hasan, who said the PLO wishes to establish direct contacts with Washington on an ambassadorial level or through special envoys without a go-between.

A statement released by the dissidents said this stand constitutes a concession by Yasir 'Arafat at the expense of the Palestinians. It stressed that the liberation of Palestine must be achieved by armed struggle, not through Washington.

Egypt

Official Outlines Position on Tabah Issue

NC2006123488 Cairo MENA in Arabic 1152 GMT 20 Jun 88

[Text] Cairo, 20 Jun (MENA)—Ambassador Ahmad Mahir, director of the Legal Department at the Foreign Ministry, has stated that a postponement of the Tabah arbitration tribunal proceedings is not being considered. He added: "If Israel makes such a proposal, Egypt will reject it absolutely."

He added that Israel has proposed holding a meeting to discuss the possibility of settling the Tabah issue and Egypt has expressed its readiness to listen to any Israeli views and proposals within the well-known Egyptian position, which states that "there can be no discussion of the issue of Egypt's sovereignty, its right with respect to all the disputed border markers, and its refusal even to consider anything that might harm Egypt's sovereignty in any way."

Ambassador Mahir said that Ambassador Nabil al-'Arabi, who is currently in the United States attending the UN General Assembly's special session on disarmament, is willing to meet with the U.S. legal adviser and Israel's representative within the framework Egypt has specified.

He added that reports carried by Israeli sources are designed only to create confusion and do not provide an appropriate climate for the proposed meeting.

Mahir empahsized that Egypt proceeds in all its moves from a perception of the strength of its legal position, which cannot be harmed by any attempts or maneuvers.

Israeli Charge of Treaty Violation Rebutted

PM2306105788 London AL-SHARQ AL-AWSAT in Arabic 20 Jun 88 p 2

[Unattributed report: "Diplomatic Sources Tell AL-SHARQ AL-AWSAT: Israel Is Accusing Egypt of Violating the Treaty to Pave the Way for a Crisis Over Tabah"]

[Excerpt] Cairo—AL-SHARQ AL-AWSAT has learned from informed diplomatic sources in Cairo that Israel has told the United States and the multinational force command in Sinai that Egypt was in breach of the military appendix to the peace treaty by increasing the size of its forces east of the Canal and building military installations to facilitate deployment of the largest possible number of forces in violation of the text of the military appendix.

The sources further told AL-SHARQ AL-AWSAT that Israel's aim in doing that is to find justifications for obstructing implementation of the decision of the arbitration commission on Tabah if that decision turns out to be in Egypt's favor. It knows that the multinational force in Sinai has no record of any Egyptian violations of the peace treaty and its military appendix during the past 6 months. In contrast, periodic reports prepared by the force's command in Sinai over the past 6 months speak of several Israeli violations. [passage omitted]

'Abd Al-Majid Meets With Businessmen, Envoys

NC2206161988 Cairo Domestic Service in Arabic 1400 GMT 22 Jun 88

[Text] Dr 'Ismat 'Abd al-Majid, deputy prime minister and foreign minister, held a meeting with members of the Egyptian Businessmen's Association today. A number of Arab ambassadors in Cairo also attended the meeting.

'Abd al-Majid spoke about Egypt's foreign policy goals, which aim to achieve peace, stability, and development, and noted that development cannot be achieved without peace. He discussed the role played by both the public and private sectors in Egypt, and noted the importance of the good quality and availability of Egyptian products, especially in Arab markets, which is in the interest of both Egypt and the Arabs. He also said that Egypt is doing its best to elevate the Arab nation.

'Abd al-Majid then pointed out the Foreign Ministry's role in promoting Egypt's relations with other countries and in contributing to the Egyptian presence in international markets.

The Kuwaiti ambassador in Cairo, who also spoke at the meeting, praised Egyptian products and expressed the hope that Arab products will soon prevail over foreign products in Arab markets. Egypt, he said, as the largest Arab country and well-known for its long-standing civilization, shoulders a special responsibility for achieving this goal.

On his part, the Somali ambassador in Cairo called for expanded trade relations among Arab countries.

Meets With Soviet Ambassador

NC2306121988 Cairo Domestic Service in Arabic 1130 GMT 23 Jun 88

[Text] Dr 'Ismat 'Abd al-Majid, deputy prime minister and foreign minister, has held a meeting with the Soviet ambassador in Cairo. Following the meeting, the Soviet ambassador stated that they had discussed the outcome of Dr 'Abd al-Majid's visit to New York and Washington. He added that the Egyptian-Soviet joint committee which the two sides had decided to form during Dr 'Abd al-Majid's visit to Moscow will meet in Cairo at the end of September or October.

The Soviet ambassador said his country is satisfied with holding the quadripartite negotiations in Cairo tomorrow, adding that the Soviet Union values these meetings and hopes they will bring about a peaceful settlement of the South African issue.

Ghali Welcomes Toronto Summit Declaration

NC2206125588 Cairo MENA in Arabic 1155 GMT 22 Jun 88

[Text] Cairo, 22 Jun (MENA)—Egypt today welcomed the positive results of the 14th economic summit conference of the main industrial nations, which ended yesterday in Toronto.

Dr Butrus Ghali, minister of state for foreign affairs, has said Egypt is satisfied with the Toronto summit's economic declaration indicating that some of the industrialized countries intend to write off the debts of some of the poorest nations and to allow creditors to choose between reducing interest rates and extending repayment periods. Ghali noted that these important results will have a positive effect on the economies of African countries, which are making efforts to convene an international conference to deal with their debts, with the participation of all creditor nations, international financing institutions, and commercial banks, endorsing the principle of political dialogue and shared responsibilities.

Ghali noted that the liaison group of the OAU will study the economic summit's declaration, taking it into consideration in their contacts with creditor nations regarding the convocation of the international conference on African debts.

Reportage on Negotiations, Talks With IMF

Mideast Official Arrives

NC1906175788 Cairo MENA in Arabic 1733 GMT 19 Jun 88

[Text] Cairo, 19 Jun (MENA)—Dr 'Abd al-Shakur Sha'lan, IMF executive director for Middle Eastern operations, arrived in Cairo this evening on a 2-week visit to Egypt. During this visit, Dr Sha'lan and Egyptian officials will discuss ways to strengthen the relations between Egypt and the IMF. He also will join the talks which are currently taking place between an IMF delegation led by IMF Vice President Paul Shirine [name as received] and Dr Salah Hamid, governor of the Egyptian Central Bank.

IMF Official, Mustafa Meet

NC2006194688 Cairo MENA in Arabic 1445 GMT 20 Jun 88

[Text] Cairo, 20 Jun (MENA)—The IMF delegation which is currently holding negotiations with Egyptian officials has expressed satisfaction with the Egyptian Government's measures to decrease its balance of payment deficit, especially in those areas which encourage exports and give incentives to exporters in order to increase exports and foreign currency.

The IMF delegation, led by the IMF Vice President Paul Chabrier [name as received] held talks today with Dr Yusri Mustafa, minister of economy and foreign trade. The conferees discussed developments in the free banking market, which deals with foreign currency, and the possibility of the market's future financing of all requirements of the public and private sectors. They also discussed ways of increasing the Egyptian Government's incentives to the farmers in order to increase the areas for planting cotton, because cotton is one of the important sources which generate the foreign currency that Egypt needs. It is noteworthy that the Egyptian Government raised the price of export cotton from 116 to 146 pounds per kantar last January.

Chabrier and Dr Mustafa further discussed the Egyptian Government's recent measures to decrease the general budget's deficit by gradually increasing consumption taxes on some nonessential goods. They also discussed new methods of increasing the customs tariffs on imported goods, especially luxury items, and of doing away with the present embargo lists.

Dr Mustafa explained to the IMF delegation that it is difficult to change the Central Bank's current dollar exchange rate of 70 piasters because the bank finances the import of essential commodities that benefit people with limited incomes.

Consultations Detailed

NC2106121988 Cairo Domestic Service in Arabic 1130 GMT 21 Jun 88

[Text] Dr 'Irfan al-Shafi'i, first under secretary at the Ministry of International Cooperation, has said that the current consultations between Egypt and the IMF are aimed at reaching an agreement to reschedule the interest on Egypt's debts effective 1 July. He pointed out that Egypt is demanding new long-term loans from the IMF to enable it to continue implementing development projects and to adhere to economic reform measures during the coming stage.

Al-Janzuri Speaks on 1988-89 Economic Plan

JN2106175088 Cairo AL-AHRAM in Arabic 20 Jun 88 p 6

[Text] In his statement at the People's Assembly on the 1988-89 economic and social development plan Dr Kamal al-Janzuri, deputy prime minister and planning minister, outlined the main guidelines of the plan which emphasizes the need to enhance the Egyptian economy's intrinsic power.

Dr al-Janzuri explained the close link which exists between the plan and the budget, given that the budget is the executive instrument for the attainment of the objectives of the plan. This becomes manifest in the investment appropriations that have been included in the budget, totaling 28 percent of the total budget, and which have not exceeded 25 percent in previous years, as well

as in the attempt to decrease reliance on foreign loans. The budget contains foreign loans that do not exceed 6 percent of the total budget, while the remaining 94 percent will be financed from local resources .

Dr al-Janzuri added that the importance alloted to the social dimension becomes clearly apparent through the appropriations that have been earmarked in the budget . These appropriations total some 7 billion pounds for health, education,religious care, and subsidies. This figure represents 45 percent of the aggregate state and current revenues.

Dr al-Janzuri said that the plan seeks to increase the value of agricultural production [al-intaj al-zira'i], computed at the 1986-87 prices, to some 13.3 billion pounds, an increase of 405 million pounds from the projected target for 1987-88, and with an average growth rate of 3.2 percent.

Dr al-Janzuri said that the plan seeks to increase the value of agricultural product [al-natij al-zira'i] to around 9.2 billion pounds, an increase of 302 million pounds over the 1987-88 expectations estimated at 8,903 million, and with a 3.4 percent average growth rate.

Investments of around 1,172.3 million have been earmarked for the sectors of agriculture, irrigation, and land reclamation. This figure represents 10 percent of the aggregate investments earmarked for this year's plan. The plan allocates some 416 million pounds for development in the old lands, some 517 million pounds for expansion in arable lands, and some 239 million pounds for irrigation projects and for securing the needs of old and new lands.

Dr al-Janzuri said that the plan seeks to increase the value of industrial production in 1988-1989, computed at the prices of 1986-1987, which is the base year for the second 5-year plan, to some 24 billion pounds, with a 1.6 billion pound increase over the 1986-1987 expectations, and with an average growth rate of 7.3 percent.

The projected industrial product for 1988-1989 is estimated at around 8.1 billion pounds, as compared with some 7.5 billion pounds for the expected industrial product value for 1987-88, and with an 8.3 percent average growth rate. With respect to food industries, an emphasis will be put on the production of fodder, particularly improved fodder. Their value is expected to reach 602.9 million pounds in 1988-1989, as compared with 539 million pounds in 1987-1988. Expansion of the preservation industries of vegetables and fruits will also be emphasized. This will prevent seasonal crises with respect to these commodities and will also overcome bottlenecks in distribution, marketing, and instability in prices caused by seasonal circumstances.

In the field of the industries dealing with textiles and ready-made clothes, the ready-made clothes industries will be expanded to produce 81.4 million pieces. An emphasis will also be put on increasing the production of cotton textiles, upgrading their economic efficiency, and increasing the production of synthetic threads. He said that the plan seeks to increase investments in the production sector to some 3.2 billion pounds, representing 2.2 percent of the aggregate investments, and that 1.9 billion pounds will be allocated to the public sector.

Dr al-Janzuri said that the bases of oil development are the continuation of extensive exploration for oil; conclusion of oil agreements with specialist international companies; concern about areas that have not been sufficiently explored, such as the Western Desert and the Mediterranean, especially since digging operations there produced encouraging results; development of productive fields to prolong their productive lifetime; increase of the net output in accordance with economic averages; activation of the search for natural gases; and development of discovered gas fields to achieve additional reserves of energy sources.

Investments allocated for the oil sector are estimated at 126.6 million Egyptian pounds, of which 82.7 million, i.e. 65.4 percent, are devoted for exploration, production, and development of the exploited fields. For refining and industrialization projects, 43.8 million Egyptian pounds are allocated.

The plan aims to achieve a crude oil output of 44.3 million tonnes, and a natural gas output of 5.7 million tonnes. This is compared to 44.1 million tonnes of oil and 5 million tonnes of natural gas expected to be produced in 1987-88. The quantity to be refined in 1988-89 is estimated at 22.5 million tonnes, and is devoted for local consumption of oil products.

As for electricity, Dr al-Janzuri said that the aim is to cover the expected shortage of electricity that will be generated in 1988-89 and 1989-90. The expected shortage is due to the decrease in water of the High Dam. The problem will be rectified through the construction of new gas units—characterized by their quick construction—continuation of the current completion projects, and implementation of the expanding projects of the current generation stations. These projects should be finished during the years 1990 and 1991 so as to meet the increasing demand for electricity. Special importance should be given to compound circuits, which depend for their operation on the use of the thermal energy that comes out of the gas stations' exhausts.

As for tourism, the plan is aimed at:

—Achieving an integrated development of the tourist sector through improvement of the environment and expanding the country's tourist area by creating new tourist attraction sites. These new sites have now reached 16. The tourist services will also be upgraded, and the number of tourists is targeted at about 2.4 million compared to 1.7 million expected in 1987-88.

—Attracting more Arab tourists, who constitute 18.6 percent of all the tourists, compared to 8.3 percent Americans and 48.1 percent Europeans. Arab tourism constitutes 48.4 percent of the overall tourist nights.

—Increasing the accommodation capacity, particularly in the new tourist attractions on the northern coasts and Red Sea, especially tourist villages, camps, and motels.

With regard to housing, Dr al-Janzuri announced that the plan aims at building and completing 190,000 housing units, including 20,800 units in the horizontal expansion areas, that is the reclaimed lands, and the remainder, 169,200 units, in the urban areas. The public sector will build 8,000 units while the private sector will build the rest, that is, 182,000 units.

The economic class housing represents approximately 70.5 percent of the overall units; the middle class housing represents 26.3 percent; and the first class housing represents 3.2 percent.

The plan will invest approximately 1,522.1 million pounds split in 42.1 million pounds for the public sector housing and 1,480 million pounds for the private sector housing.

Dr al-Janzuri said that the government wants to activate the role of the private sector and increase its investments in production fields within the framework of coordination with the private sector. In order to achieve this, the government works to remove obstacles facing investors, in order to attract more Arab and foreign investments in the various economic sectors, by doing the following:

—Preparing a unified law for investment to increase the benefits to investors and end complaints on the diversity of laws and measures.

—Knowing the relative characteristics of each governorate and the possibility of benefitting from them.

—Encouraging the private sector to direct their investments to reclamation of lands and agriculture by defining the available lands and preparing maps to show their locations.

—Preparing the projects to which young people can contribute and supporting them with technical assistance and equipment. This will help in creating job opportunities to absorb the surplus in graduates.

—Preparing new lists of investment activities and projects in the various areas of agriculture, industry, tourism, and housing to present them to investors inside and outside the country in the conferences held for Arab and foreign investors. Initial studies for some of these projects have been prepared to give the investors the basis to complete the studies of these projects.

The plan wants the private sector to implement investments estimated at 3.9 billion pounds. Approximately 2 billion pounds, that is 51.3 percent, are devoted to commodity production investments, and approximately 395 million pounds, that is 10.1 percent, are devoted to production services activities. The investments of social services are estimated at 1.5 billion pounds, that is 38.6 percent of the total investments of the private sector.

Finance Minister Explains 1988-89 Budget

JN2206112488 Cairo AL-AHRAM in Arabic 20 Jun 88 p 9

[Text] Finance Minister Muhammad al-Razzaz declared to the People's Assembly yesterday that foremost among the objectives of the draft 1988-89 state general budget are meeting the needs of the Armed Forces, rationalizing government expenditure, providing credit for workers' wages, fulfilling obligations to the general debt and capital transfers, developing the state's general resources, providing finance for general investment, and supporting the budgets of general services.

The finance minister began his statement by talking about meeting the needs of the Armed Forces. He said: The general budget sought to provide the necessary financial credit to support the Armed Forces and the necessary material resources to strengthen their capability, supply them with sophisticated equipment, and to train their men in the most modern military skills so that they will continue to be strong and capable of defending the homeland against any threat to its security and stability.

Moreover, our Armed Forces are making efforts to create a base for industrial and agricultural production that meets their needs and ensures their self-sufficiency. The Armed Forces also contribute toward solving the problems of the masses in various spheres, the most important of which are food security, land reclamation, public services, construction, training, and providing skilled labor in specialties for which there is a high demand.

Consequently, foremost among the fiscal policies of the 1988-89 budget is to provide all the financial credit for strengthening our Armed Forces.

Rationalizing expenditure is in effect the general framework of the 1988-89 budget. If rationalization is an obligation imposed by the general duties of one's job in ordinary circumstances, it becomes a national duty dictated by the country's present economic conditions.

Rationalization of government expenditure is not a synonym for the pressure of all general expenditure, without distinction or discrimination. Also, it is not a synonym for austerity or depriving citizens from general services or lowering the standard of services.

Rationalizing expenditure requires full awareness on the part of the existing administrations in government departments of the importance of available human and material resources. It also requires full capability in using such resources in a manner that achieves the maximum possible benefit.

Financially, the rationalization of government expenditure requires the adherence of all government apparatuses to the limits of the credit approved for their budgets, directing each credit to the purpose for which it was designated, and avoiding expenditure for the mere use of available credit without effectively contributing toward carrying out the targeted services.

For this purpose the Ministry of Finance has ordered all administrative units to provide services at minimum cost, review alternative ways to provide these services, and utilize its experience in selecting the best of these alternatives, in terms of economic cost, without affecting the level of these services, in order to make them more cost-effective and increase their social returns. Therefore, appropriations for the budget's goals have been defined after a quiet study of factors pertaining to these goals.

Rationalization efforts in this budget concentrate on the energy used in industry, gasoline, water, and illumination. Appropriations for these have been fixed. The responsible organs were also instructed to control the average energy consumption, abide by the defined averages for gasoline for government usage, and investigate violations in this regard, because wasting water, energy, and fuel not only increases the cost of automation, but also has long-term economic and social repercussions.

Workers in the government administration apparatus, the local administration organs, and the services sectors total approximately 3.2 million, and their annual wages in the 1988-1989 budget amount to 5,515 million pounds, absorbing 31.9 percent of the current revenues, against 4,589.2 pounds absorbing 30.5 percent of the current revenues during the previous fiscal year. Thus, the increase in wages amounts to approximately 925.8 million pounds, which is a 20.2 percent increase in the budget of the previous fiscal year. This increase is aimed at covering the following:

1. Granting periodic increments due on 1 July, 1988.

2. Granting incentive increments to approximately 10 percent of workers in accordance with regulations.

3. Meeting the automation requirements in new projects.

4. Appropriations for training purposes and for surplus graduates.

5. Appropriations for the gradual reform of the wages system.

It is noteworthy that the state is currently trying to reform the wages system as part of a comprehensive financial, administrative, and production reform program. This plan will achieve several goals, foremost of which is an improvement in the condition of workers and employees and achieving a relative balance between wages and prices. For this purpose, last year's budget included an increase of 20 percent, and this year's budget includes a 15 percent increase. Appropriations are being increased to reform the wage structure within a fixed period.

Economic and social development is a necessity dictated by the government's commitment to meet the needs of a population growing at the rate of 1.5 million people a year, by providing food, education, housing, and job opportunities. This development requires continued investment in all spheres of production and services.

In view of the fact that the available resources for financing investment cover only a certain percentage of the cost of investment projects included in the development plan, it was natural for the state to turn to domestic and external loans. Egypt is not alone in that, for many developing and advanced countries borrow to implement economic and social plans.

As a result, the need has arisen to pay the installments and interest on the dates payment is due. I hope it will be clear that the rescheduling of some external debts does not mean exempting the budget from meeting such obligations. It is necessary to set such sums aside in a separate account in the Central Bank so as to ensure they are available when payment is due, so that such burdens will not accumulate in the future for the coming generations.

Consequently, the draft budget presented to you includes the following credit for servicing the general debt:

Interest on the general domestic debt: 2,266.2 [million Egyptian pounds].

Interest on the general external debt: 716.5 [million pounds].

Total debts: 3082.7 million pounds.

Installments on the general domestic debt: 799.6 [million pounds].

Installments on the general external debt: 1,285.3 [million pounds].

Total installments: 2,084.9 million pounds.

Total obligations: 5,167.6 million pounds.

The development of the state's general resources is one of the most important fiscal policies on which the preparation of the 1988-89 budget is based. This will

make it possible to meet the increasing general expenditure and to fulfill the state's obligations to strengthen defense, safeguard society's safety, create conditions that ensure regular economic activity, and develop and provide health and social care to citizens, in accordance with the circumstances of the country's economic and social stability.

Thus, current revenues in the 1988-89 fiscal year have been estimated as follows:

Total state revenues: 12,346.5 million pounds compared with 11,019.9 million pounds in the 1987-88 budget, an increase of 1,326.6 million pounds.

Total current revenues and transfers: 4,925.1 million pounds compared with 4,002.3 million pounds in the 1987-88 budget, an increase of 922.8 million pounds.

The following illustrates the development of each of the elements that comprise state revenues and current revenues.

Income tax and revenue stamps:

Income tax, revenue stamps, and death duties in the 1988-89 fiscal year are estimated at 4,689 million pounds, compared with 4,249.7 million pounds in the budget of the previous fiscal year, an increase of 439.3 million pounds or approximately 10.3 percent.

These taxes constitute approximately 37.9 percent of total state revenues in the next fiscal year.

The financial policy seeks to increase tax revenues as follows:

A. Continuing tax assessment in a systematic manner.

The measures taken to continue tax assessment in a systematic manner are as follows:

Using computers in setting an alphabetical list of taxpayers. The list notes the taxpayer's various business activities and the taxable income. This list will also serve as a sound basis for a tax data base for checking and correcting the returns of taxpayers.

Bolstering the general administration for tax assessment. This administration is concerned with assessing taxpayers through its branches in all districts.

Finalizing the organizational measures for receiving and recording statements which assess taxpayers in accordance with Articles (138) and (141) of Law No 157 of 1981, appointing representatives at important taxable quarters, and preparing annual reports on other quarters.

B. Continuing to combat tax evasion.

We would like in this regard to emphasize the following principles:

The measures to combat evasion are not based on oppression, persecution, and coercion. The measures are carried out within the limits of the law.

The assessment of real profits is based on documents obtained from their real sources. The object behind combating evasion is not to punish, but to obtain the state's legitimate rights within the framework of right, justice, and the supremacy of the law. A neutral committee shall be formed to investigate every case of evasion. If the committee establishes evasion, the taxpaper shall be faced with this result. In such a case, he will be given the opportunity to come to an accomodation and to return to the right course and abide by the provisions of the law.

No doubt, combating evasion in this manner leads to an increase in the revenues.

To achieve this objective, the Ministry of Finance and the Tax Department have adopted a number of integrated measures represented by the following:

1. Bolstering the internal committees.

2. Bolstering the grievances committees.

3. Expediting tax cases before the courts.

No doubt, the internal committees are major factors at the district level. They can arrive at quick agreements based on reconciling the conflicting viewpoints. Thus, the Finance Ministry has increased the number of these committees and given them full powers. They are also not encumbered by any specific limit with regard to the reductions they can make, as long as their decisions are supported by documents. They will refer to the grievances committees only those cases on which agreement has proved impossible.

The work of the internal committees will be checked periodically. This system has improved the work of the committees, increased the revenues, and reduced pressure on the grievances committees.

Similarly, the grievances committees have been increased and reinforced by competent staff. Their members are appointed by ministerial decisions to ensure their complete neutrality. These measures have helped settle many cases between taxpayers and the Tax Department, which has increased the hope for more success in obtaining revenues without resorting to the courts.

Furthermore, the finance minister in cooperation with the Justice Ministry is currently considering the possibility of setting up judicial departments which specialize in tax affairs to ensure rapid handling of tax cases and to secure state revenues as quickly as possible.

C. Supporting the system of discount and addition.

Because this system has many advantages in implementing the tax laws, the Ministry of Finance will continue to strengthen the competent directorates in all departments with enough employees. These directorates will be given the necessary financial resources needed for registrations in cards, and hence facilitate the determination of tax centers for the investors. This will also achieve the fundamental objectives for which this regulation was legislated, foremost of which is to collect a certain ratio of the due taxes upon completing the deals that are subjected to taxation, and to make it easier for investors to pay their dues in small installments that will not burden them.

D. Improving the standard of the tax organ.

This is based on a number of things, of which the following are the most important:

1. Creating a suitable atmosphere for work in the tax directorates.

2. Improving the standard of performance of employees by choosing the best candidates and training them continuously.

3. Strengthening the bonus system to encourage the employees in this organ to exert maximum efforts to preserve the rights of the state. It is worth mentioning that the tax authority levies an indirect tax, that is the stamp tax. The revenues from this tax increase is a ratio higher than the rates in which many other qualitative taxes increase. This is due to the fact that the stamp tax is levied on an important number of financial and trade transactions, which are linked to the fields of economic activity, such as contracts, insurance installments, trade documents, bank documents, and the like. It is also levied on material and legal dealings.

It is also worth mentioning that the Ministry of Finance conducts a continuous review of tax legislation, so that it matches economic and social developments. For this reason, there is a thorough study to develop the law of inheritance tax, because Law No 142 on imposing a tarrif on transfer of inheritance was issued in 1944, and Law No 159 on imposing a tax on inheritance was issued in 1952.

In addition, the ministry studies the question of developing the tax system to make it more harmonious with the principles of justice, including the necessary study to adopt the system of a standard tax on incomes.

Taxes on consumption:

The taxes on consumption in the fiscal year 1988-1989 budget is estimated at 3,174 million Egyptian pounds, against 2,364.5 million pounds in last fiscal year's budget. The value of this tax constitutes about 25.7 percent of state revenue.

In determining the goods subjected to consumption tax, and in determining the tax categories, all considerations that will help to achieve the required economic and social objectives were taken regarding their impact on those with limited income, control of consumption expenditure in general, and luxurious expenditure in particular, and to limit the import of luxury goods, which are accompanied by demand for hard currencies.

The consumer products tax has various characteristics, foremost of which are the following:

It is possible to tighten control on the products subject to the tax, whether they are local or imported; it is relatively easy to determine and collect the dues of the public treasury; disputes over this tax are minimal; the revenues of the consumer products tax are proportional to the average consumption spending, which is basically associated with the size of the population and the potential income of individuals; and this tax is considered one of the important means to achieve social justice, since high taxes are imposed on luxuries while essential goods are exempted.

Presidential Decree No 215 of 1988 provides for tax adjustments on the consumption of cigarettes and gasoline in light of the following factors:

—The state has the burden of securing foreign curency needed for cigarette imports. This adds to the burden of the trade balance. Moreover, cigarettes are not considered essential goods such as food and clothing.

—Adjusting taxes on gasoline leads to a rationalization in the consumption of basic petroleum products, thus allowing more quantities for export, and, consequently, more foreign currency revenues which the state needs to finance the economic and social development plan.

—The national interest demands that the additional revenues from these two commodities be used to finance a part of the cost of the public services provided for the large masses of people.

A tentative study is now underway to convert some categories of the qualitative tax into value categories, so that the tax burden becomes proportional to the value of the commodity. At the same time, the base of this tax would be broadened in a way that would achieve tax justice, without adding any burdens to those with limited income.

Specialist bodies are also about to finish a study on marking commodities that are subject to the consumer products tax and easy to distribute. The aim is to ensure that the tax is paid and evasion is impossible.

Following are some of the measures that guarantee the achievement of the expected revenues in the next fiscal year:

1. Registering all the unlisted financiers and demanding that they present all documents provided for in the law.

2. Continuing efforts to coordinate between the consumer products tax and the custom tax through clear labeling of imported commodities subject to this tax. These commodities should also be identified according to the custom tariff so as to avoid problems that may occur during application.

3. Periodic review of the executive instructions issued by authority of the consumption tax in order to develop work methods, facilitate tax collection, and solve any problems arising from the application of these instructions as soon as they occur. This would give strong momentum to domestic production.

The customs tax in the 1988-89 budget is estimated at 3,200 million Egyptian pounds, compared to 3,040 million in the last fiscal year. The increase is 160 million pounds, i.e. 5.3 percent.

This tax is an important state revenue as it constitutes about 25.9 percent of overall state revenues.

Measures have been taken to guarantee the effectiveness of the customs authority in achieving the estimated amount.

The surplus revenues from the oil sector that are expected to be transferred to the state's general budget in fiscal year 1988-99 are estimated at 781.9 million pounds, as compared with 800 million pounds in the 1987-88 budget, a decrease of 19.1 million pounds as a result of the decrease of oil prices worldwide.

Surplus revenues from the Suez Canal that are expected to be transferred to the state's general budget in fiscal year 1988-89 are estimated at 306 million pounds as compared with 294.2 million pounds in the 1987-88 budget, with an 11.8 million pound increase as a result of an increase in navigation in the canal.

The Central Bank is expected to register a 602.1 million pound surplus in fiscal year 1988-89 as compared with 572 million in the 1987-88 budget, a 30.1 million increase as a result of an increase in the interest rates due on government bonds.

The overall surplus that is expected to be transferred to the state's general budget from the other corporations, with the exception of the Oil Authority and the Suez Canal Authority, has been estimated at 105.1 million pounds, as compared with 117.2 million pounds in the previous fiscal year. This is a decrease of 12.1 million pounds, or 10.3 percent, in light of the results attained by the planned budgets of these corporations.

Dr al-Razzaz concluded by saying: At the conclusion of this statement I would like to outline to your esteemed audience the general picture of the 1988-89 budget which can be summed up as follows:

1. Modes of utilization, in millions of pounds:

Current utilization, 16,321.9

Investments, 7,870.0

Capital transfers, 4,541.9

Overall utilization, 28,733.8

2. Revenues, in millions of pounds:

Current revenues, 17,271.6

Revenues available for investment, 2,000.4

Revenues available for transfers, 2,242.2

Aggregate revenues, 21,514.2

Thus, the overall budget deficit will be 7,219.6 million pounds, as compared with 4,940.7 million pounds.

We would like here to shed some light on the causes of this deficit:

1. The truth is that part of this deficit is due to the fact that the draft budget referred to your esteemed Assembly has assumed the burden of the differences in the foreign currencies exchange rate which total some 2,300 million pounds. If we take this into account, we find that the ratio between the overall deficit and the gross domestic product becomes approximately 9.9 percent in the 1988-89 draft budget, as compared to 10.6 percent in fiscal year 1987-88. The major part of the overall deficit, amounting to 4,125.4 million pounds, is financed by real savings available from local savings sources. Another sum of 2,422.2 million pounds is financed from loan and credit facilities.

Therefore, there remains only the sum of 670 million pounds, which represents the net deficit and which will be financed from the banking system.

The net deficit is not due to current expenditures or investment utilization contained in the draft budget that is referred to your esteemed Assembly, but to the insufficiency of the available resources for financing capital transfers, the major part of which are made up of

installments for the repayment of domestic and foreign loans, as well as the loans and contributions the state provides to economic bodies to enable them to perform their duties in society.

In this respect, we would like to affirm that these loans have been used in previous years to finance investments which had enhanced the national economy, whether with respect to the commodities and services sectors, or the infrastructural reforms.

Prime Minister Cited on Investment Firms

NC2406103588 Cairo MENA in Arabic 0920 GMT 24 Jun 88

[Excerpts] Cairo, 24 Jun (MENA)—Speaking before a gathering of Alexandria University students last night, Prime Minister Dr 'Atif Sidqi said that the government does not oppose investment companies, but is simply working for the good of Egypt. Dr Sidqi, who was referring to the recent law regulating the operations of investment companies, said: Our goal is to regulate the activities of these companies in order to stimulate the national economy. [passage omitted]

Dr Sidqi said: I admit that the government has been slow to organize the activities of the investment companies. He added that some of these companies were not abiding by existing laws, pointing out that the government, through the new regulations, seeks to make these companies play a more active role in development programs and thus help boost development efforts in the country.

As for foreign exchange regulations in the country, Dr Sidqi said these regulations are very limited now.

The prime minister was asked about charges of corruption brought against senior officials after they left their posts. Dr Sidqi said that no Egyptian is above the law and that there can be no cover-up of any transgression at any level.

Egypt, Sidqi said, is rich in honest and dedicated sons and is not a country which could be accused of rampant corruption. Senior officials are selected after careful examination and investigation, and public service is not lucrative for officials. It is rare even when a senior official faces accusations, and in certain cases some of those accused have been found innocent by the courts, Dr Sidqi said.

The prime minister added that all claims of corruption by the opposition papers are duly investigated, and when a case is valid it is referred to the courts. Nevertheless, he said, 99 percent of the claims are "lies or libelous." Deviations and fraud may exist, but we have to deal with them firmly. No one wants to cover up corruption, he declared. [passage indistinct]

Commander for Northern Military Zone Appointed

NC2306150888 Cairo MENA in Arabic 1450 GMT 23 Jun 88

[Excerpt] Cairo, 23 Jun (MENA)—The supreme commander of the Armed Forces has issued a decree appointing Staff Major General Ibrahim Sayyid 'Atwah commander of the Northern Military Zone. He replaces Staff Maj Gen Muhammad Salah Muhiy al-Din, who has been appointed chairman of the Armed Forces Inspection Commission. [passage omitted]

Libya

Opposition to Syrian Missile Purchase Viewed

LD2306142588 Tripoli Domestic Service in Arabic 1230 GMT 23 Jun 88

[Text] Voice of America Radio attributed to a U.S. State Department spokesman what he called the concern of the U.S. Administration about the possibility of the Syrian purchase of Chinese surface-to-surface missiles. The spokesman added that his administration would feel extremely concerned if China sold these missiles to Syria. The international affairs editor commented on this, saying:

These statements are Zionist in substance, even if they were uttered by U.S. tongues. This alleged American concern is only raised when an Arab intends to consolidate his defensive abilities, which undoubtedly causes concern for the Zionists who then transfer this concern to the U.S. Administration in its capacity as an integrated partner of these Zionists.

The editor added that what worries the [words indistinct] when we hear a U.S. official talk about his administration's concern about the spread of weapons in a certain area, or that a certain side is being supplied by these weapons. The U.S. Administration should be the last one to talk when the matter concerns Arab affairs. To put the matter more clearly, we say:

First, any Arab country's pursuit of consolidation of its defensive abilities, including the purchase of any kind of weapon, is purely an Arab affair, which does not require consulting the United States and investigating whether this will worry or satisfy it.

Second, the basic issue that worries the world and causes concern about the future of the world and the security of its inhabitants is this huge influx of weapons that the U.S. Administration supplies to the Zionist occupiers of occupied Palestine. It has enabled these Zionists to obtain a stock of destructive weapons, including nuclear and chemical weapons and the most advanced weapons in the U.S. arsenal.

Moreover, the U.S. Administration allows the Zionists to directly exploit the use of all U.S. military capabilities according to the so-called U.S.-Zionist strategic military

alliance. It does not consider it cause for concern when the Zionists carry out tests of medium- and long-range missiles capable of carrying nuclear warheads. Nor does it consider the Zionist use of all means of killing and destruction against the Arab peoples in Palestine and Lebanon cause for concern, but it becomes concerned about the mere probability of an Arab country obtaining certain kinds of weapons.

Third, the U.S. Administration, through the statements of its spokesmen, stresses that it allows the Zionist enemy to obtain—and be alone in that—all kinds of weapons that enables them to consecrate their occupation of Arab land and to achieve absolute military superiority, which opens the door for cancerous aggression and expansion. At the same time, it denies the Arabs the right to arm in order to consolidate their defensive abilities against this racist Zionist enemy who occupies their land and aims to annihilate them.

The international affairs editor concluded his commentary by stressing that continuous work toward the unity of the Arab nation, and the achievement of economic and military power in order to secure its unity and freedom, is the strategic option for which the sons of this nation should struggle in order to face this crusading Zionist-U.S. danger, which threatens this nation and the destiny of its future generations.

Al-Qadhdhafi Receives OAU Secretary General

EA2306161988 Dakar PANA in English 1350 GMT 23 Jun 88

[Text] Banghazi, 23rd June (PANA)—OAU Secretary General Ide Oumarou met Wednesday in Banghazi with Libyan leader Colonel Mu'ammar al-Qadhdhafi.

At the meeting which was also attended by Libyan External Relations Minister Jadallah 'Azzuz al-Talhi [title as received], Col al-Qadhdhafi briefed the OAU secretary general on the political implications of his peace initiatives in Chad. Oumarou told the PANA correspondent after the meeting that the "Libyan leader reaffirmed what he said during the recent OAU summit with regard to Chad".

On Chadian prisoners of war in Libya, Oumarou declared that "Libya is ready to provide the OAU today with transport for conveying Chadian prisoners" to their country of origin. The Libyan authorities are also ready to provide the OAU with the list and identity of the prisoners to enable it to make the necessary arrangements with the Chadian authorities for their return.

On the OAU ad hoc committee, Oumarou declared: "We are holding consultations towards drawing up a timetable for meetings in the light of developments".

Referring to the restoration of diplomatic relations between Libya and Chad, Oumarou stressed that "the practical modalities of this question will be determined within the ad hoc committee which is working towards establishing a climate of confidence between the two parties".

Mediterranean Friendship Conference Ends 21 Jun

LD2206100888 Tripoli Voice of Greater Arab Homeland in Arabic 2315 GMT 21 Jun 88

[Text] The fifth conference of the Federation of Mediterranean Societies for Friendship with the Great Jamahiriyah ended its work in Tripoli this evening. It was held under the slogan "Assertion of Popular Relations Among the Countries of the Mediterranean." The participants issued a statement in which they saluted the Libyan Arab people's heroic confrontation of U.S. imperialist conspiracies and designs, and the pioneering role of the Great 1 September Revolution and its leader in supporting the causes of freedom in the world.

The participants expressed their support for the Libyan Arab people in their struggle against the base conspiracies being hatched by imperialism, and for the overwhelming popular revolution being carried out by the generation of anger in occupied Palestine. The conference called for the expulsion of foreign military bases from the Mediterranean and making it a lake of peace and security.

Tunisia

Further Reportage on Visit by Iraq's Ramadan

Received by Ben Ali

LD2306125288 Tunis Domestic Service in Arabic 1200 GMT 23 Jun 88

[Text] This afternoon, at the Republican Palace in Carthage, President Zine El Abidine Ben Ali received Taha Yasin Ramadan, first deputy prime minister of Iraq, who is on an official visit to Tunisia. The reception was attended by Prime Minister Hedi Baccouche.

Minister of the Interior Habib Ammar had talks this morning with Iraqi Deputy Prime Minister Taha Yasin Ramadan. The talks took place at the Iraq guest's residence. The visiting Iraqi said the meeting provided an opportunity to evaluate relations between the two countries and to develop them. It also provided an opportunity to emphasize the need to broaden cooperation between the two countries to include new spheres, to the benefit of cooperation between them. These ties between the two countries—one situated in the Arab East and the other in the Arab West—would become a model.

Taha Yasin Ramadan added that the Arab world is in need of such relations, built upon confidence and cooperation, in order to achieve all the shared objectives.

Further on Talks With Ben Ali

JN2306175588 Baghdad Voice of Masses in Arabic 1700 GMT 23 Jun 88

[Excerpts] At noon today, Tunisian President Zine El Abidine Ben Ali received Taha Yasin Ramadan, RCC member and first deputy prime minister. During the meeting, which was attended by Tunisian Prime Minister Hedi Baccouche, Ramadan conveyed greetings from His Excellency President Saddam Husayn to his brother the Tunisian president, and a reiteration of Iraq's pride in the attitude of the fraternal Tunisian people and leadership and their solidarity with Iraq in defending its land and sovereignty against the Iranian aggressors. The deputy prime minister told INA's Tunis correspondent that he conveyed President Saddam Husayn's desire to cement relations with sisterly Tunisia. He emphasized to the Tunisian president Iraq's determination to liberate all its teritory. [passage omitted]

Taha Yasin Ramadan said the Tunisian president had emphasized that the Iranian regime and the Zionist entity share an anti-Arab strategy of aggression and expansion, which makes it incumbent on the Arabs to oppose Iranian-Zionist cooperation. The Tunisian leader renewed congratulations on the victories scored by Iraqi forces against Iranian aggression, stressing that Iraq is defending the Arab nation. He added that out of its adherence to a pan-Arab position and Arab agreements, Tunisia stands alongside Iraq and places all its potential at Iraq's disposal, since it is defending its sovereignty. Ramadan said the Tunisian president expressed his deep satisfaction with the outcome of the visit and the comprehensive agreements signed between the two countries. [passage omitted]

Meets Interior Minister

JN2306123988 Baghdad INA in Arabic 1027 GMT 23 Jun 88

[Text] Tunis, 23 Jun (INA)—Taha Yasin Ramadan, RCC member and first deputy prime minister, met with Tunisian Interior Minister Habib Ammar here this morning. The RCC member told INA that the meeting focused on a common assessment of this visit and emphasized the need to expand Iraqi-Tunisian cooperation to include, among other things, the security field. Information and visits will be exchanged between security authorities in the two fraternal countries.

Taha Yasin Ramadan explained that he had briefed the Tunisian interior minister on Iraq's growing capability to defeat Iranian aggression which threatens the all states in the region. He also briefed him on the victories that will be witnessed in the coming days in liberating the land and expelling the invaders.

Habib Ammar lauded the heroic deeds of the Iraqis through 8 years of fighting. He asserted that Iraqi military planning should be exploited on the Arab level, considering it a school which has adopted both theoretical study and field application. He said the Iraqi Army's victories achieved under President Saddam Husayn are considered the beginning of a pan-Arab awakening which will undoubtedly enhance the Arab ranks.

In statements to Tunisian television Taha Yasin Ramadan asserted that the liberation of Al-Faw and Al-Shalamjah [Shalamcheh] was the prelude to liberating all the land and to a decisive victory over the aggressive Iranian enemy. He said the liberation of these two areas has very important military and strategic significance and is considered a prelude to further Iranian collapse, to the liberation of all the land, and to the destruction of the aggressive power which Iran uses to threaten the entire region, and not only Iraq.

The RCC member also discussed the continuing large-scale development process in Iraq. This development has been increasing since the eruption of the 17-30 July revolution. It has been growing in all fields whether the internal, social, and political fields or as part of the Arab framework and the confrontation of the conspiracy against the Arab nation. He said that what has been accomplished in Iraq in 20 years, whether as a result of confronting aggression or as part of the construction process, is a very great achievement of which we are proud. Ramadan asserted that the positive developments will also be assessed and examined in order to develop greater momentum in the coming phase for building a great, model Iraq.

Attends Signing of Agreement

LD2306205888 Tunis Domestic Service in Arabic 1700 GMT 23 Jun 88

[Excerpt] This morning Prime Minister Hedi Baccouche and Iraqi First Deputy Premier Taha Yasin Ramadan attended the signing of the minutes of the Tunisian-Iraqi talks.

During the ceremony, the minutes of the sixth session of the Tunisian-Iraqi joint committee and memorandum of understanding were signed. The two documents were signed by Minister of National Economy Slaheddine Ben Mbarek on behalf of Tunisia, and by Minister of Finance Hijmat 'Umar Mukhaylif on behalf of Iraq .

An executive program for scientific, cultural, and technical cooperation between the two countries was also signed, on behalf of Tunisia by Ahmed Ben Arfa, secretary of state for international cooperation, and deputy minister of trade, on behalf of Iraq by Dr Qabis Sa'id Abd al-Fattah.

The third agreement between the two countries concerns cooperation in tourism. It was signed on Tunisia's behalf by Ahmed Semaoui, secretary of state in charge of tourism, and on Iraq's behalf by Khalid Tabrah, director general of tourism. [passage omitted]

Baccouche Receives Fahd Message From Saudi Envoy
LD2206164988 Tunis Domestic Service in Arabic 1500 GMT 22 Jun 88

[Text] This afternoon, at the Government Palace in Casbah, Prime Minister Hedi Baccouche received a verbal message from the custodian of the two holy mosques, King Fahd ibn 'Abd al-'Aziz, to President Zine El Abidine Ben Ali. The message, which was delivered by Saudi Communications Minister Husayn al-Mansuri, concerns the fraternal relations between Tunisia and the Kingdom of Saudi Arabia and inter-Arab relations generally. The audience was attended by Minister of Transport and Tourism Abderrazak Kefi and the Kingdom of Saudi Arabia's ambassador to Tunisia, Ibrahim Sa'd al-Ibrahim.

Bahrain

Prime Minister Interviewed by AL-AKHBAR

JN2306195488 Cairo AL-AKHBAR in Arabic 21 Jun 88 p 11

[Interview with Prime Minister Shaykh Khalifah ibn Salman Al Khalifah by Muhammad al-'Azab Musa; date, place not given]

[Excerpts] Question: What are the spheres of cooperation between Bahrain and Egypt after the official restoration of diplomatic relations between them? What steps have so far been taken to bolster these relations? What can we expect from these relations in the future?

Shaykh Khalifah ibn Salman Al Khalifah: We in Bahrain are very proud of our strong, distinguished relations with Egypt. These relations have always been so. Even when diplomatic relations were severed, ties between us and Egypt continued to be strong as ever.

I recall Foreign Minister Brother Shaykh Muhammad ibn Mubarak telling me with a smile when Arab countries began to restore relations with Egypt following the Amman summit: The time of Bahraini-Egyptian relations being distinguished among inter-Arab relations has ended. This indicates a clear difference in relations between Egypt and Bahrain even in the absence of official diplomatic relations.

We are pleased with Egypt's continued interest in bolstering bilateral cooperation in the interests of the two fraternal peoples. There is a total agreement between the two countries to bolster bilateral cooperation in all fields. Contacts and visits between the two countries' officials continue so as to achieve this objective.

Question: You promised in a previous statement to AL-AKHBAR that you would be among the first Arab leaders to visit Egypt. Can we hope that such a visit will take place soon?

Shaykh Khalifah ibn Salman Al Khalifah: Actually, I am looking forward to visiting Egypt and meeting with His Excellency President Husni Mubarak and His Excellency Dr 'Atif Sidqi to exchange views and consutlations with them and with other brother officials on all issues of interest to our two countries and the Arab and Islamic nation.

I am also looking forward to visiting Cairo to see Egypt's remarkable achievements in industry, construction, and other fields since my last visit.

There is an open official invitation for me to visit Egypt. In fact, I do not need any invitation to visit my second homeland, Egypt. God willing, the visit will take place as soon as possible. [passage omitted]

Question: The destructive war between Iraq and Iran broke out 8 years ago. What is the effect of this war on the Gulf region in general and Bahrain in particular? Do you see hope for ending it soon, especially after the recent Iraqi victories?

Shaykh Khalifah ibn Salman Al Khalifah: The negative effects of the Iraq - Iran war have not been confined to the two warring parties only. The circles of these negative effects have become wider to encompass all the Gulf countries, including Bahrain, albeit with varying degrees and forms. However, the negative effects, especially regarding economic and development activities, have included all countries without exception.

These effects have not been confined to this area, but have gone beyond it to harm world economic stability by threatening oil navigational routes and prices. Bahrain has stood with its sisterly GCC states and supported vigorously all efforts to put a final end to this war, which saps the blood and resources of the two warring countries and squanders the region's resources. The recent Arab summit in Algiers expressed comprehensive Arab unanimity supporting a peaceful end to the war.

I will not miss this occasion to hail and express full appreciation for Iraq's constant response to all calls for a just peace.

You ask if I see hope for an imminent end to this war. Let me affirm to you that everything has an end, so what about an illogical and meaningless thing [like this].

Yes, I see an imminent end to this war based on clear developments and elements, including Iraq's recent victories in regaining its land and liberating its national soil. This also includes developments inside Iran as well as the international approach toward containing and ending this war.

Question: The eighties have witnessed a sharp drop in oil prices on the international level as well as an economic recession in the world in general and the West in particular.

However, despite this, it has been noticed that Bahrain has maintained stability and progress in the economic field. On what factors is the Bahraini economy based to secure the continuity of progress and prosperity?

Shaykh Khalifah ibn Salman Al Khalifah: The development and progress Bahrain has achieved over a period of 2 decades is a big achievement by all standards. Praise to God, thanks to the people's cohesion with their leadership and to the security and stability enjoyed by our society, we have managed to realize great achievements, which need not be numbered, over this very short period of time in the life of nations and peoples. You must be aware of these achievements.

We have managed to make Bahrain a respected international financial center, establish developed industrial and trade pillars, and entrench the basic structure of services for which Bahrain is known internationally in the fields of transportation, shipment, sophisticated telecommunications, and communications. Bahrain has a good reputation in this regard.

It goes without saying that the worldwide political and economic flunctuations and changes in the eighties, including the drop of oil prices, economic recession, and the outbreak of the Iraq-Iran war, have cast their dark shadows on the economies of all world countires, including Bahrain.

However, praise be to God, our bases of construction and progress are firm and entrenched. This is proved by the fact these bases have managed to face all these world changes with a minimum level of losses in comparison with other countries. [passage omitted]

Crown Prince on Hajj, Gulf War, USSR
PM2206140188 London AL-SHARQ AL-AWSAT in Arabic 18 Jun 88 pp 4,5

[Unattributed interview with 'Abdallah ibn 'Abd al-'Aziz Al Sa'ud, crown prince, deputy prime minister, and National Guard commander, by 'Uthman al-'Umayr in London on 16 June]

[Excerpts] [Al-'Umayr] During his 4 days in Britain as official guest and visitor, 'Abdallah ibn 'Abd al-'Aziz, Saudi crown prince, deputy prime minister, and National Guard commander, could not receive anyone outside his official schedule but he found a few minutes here and there to respond to Arab and non-Arab calls before going to bed prior to his departure for Ireland on the first visit by an Arab leader.

That is how I had the opportunity of meeting with him and discussing with him a wide range of Arab, Islamic, and international affairs.

Those who saw Prince 'Abdallah said he was extremely pleased with the British hospitality and responsive spirit. He personally told me: "I sensed great respect and appreciation and I believe my visit was a success." [passage omitted]

He also told me: I discussed all issues of interest to us with the British including the international conference, the Palestinian question, the Iraq-Iran war, and even terrorism. There was, I found, an agreement of views between us on the question of terrorism. The British, as they have assured me, insist on their position of not dealing with terrorist groups and their current contacts with Iran are for the purpose of resolving the problem of the two embassies.

I asked the Saudi crown prince about the Gulf aspect of his talks in Britain, noting that his visit was taking place during extremely critical circumstances, with Iran on the eve of the visit escalating its attacks on tankers in the Gulf and launching yet another abortive offensive against Iraqi territory.

The prince, who had just returned from a major banquet given in his honor by Prime Minister Margaret Thatcher, said: There can be no doubt that the war between fraternal Iraq and Iran, with its tragic developments, is of interest not only to the Saudi Kingdom, the Gulf states, and the United Kingdom, but to the whole world, particularly since its destructive effects have gone beyond the region and have reached other parts of the world. [passage omitted]

[Al-'Umayr] Am I to understand there are joint moves between you and other world states to end the war, Your Highness?

['Abdallah] Since the beginning of the war between the two Muslim neighbors, Iraq and Iran, we Arabs and Muslims and the whole world have been trying to bring about an end to that bloody tragedy which our valiant brothers in Iraq and our dear brothers in Iran have been going through, but the Iranian regime's insistence on imposing some kind of trusteeship on our Arab world, such as appointing or deposing a ruler, has kept the mill of death and destruction going and grinding the cream of the youth of the two fraternal countries, draining the resources of the Islamic world and spreading political weakness and sectarian divisions unacceptable to God, his prophet, and the faithful.

I believe the war will not end until the Tehran regime responds to the aspirations of the fraternal Iranian peoples and realizes that revolutions cannot be smuggled, exported, or imported and that Islam, not hegemony or expansion, is the only bond between the Islamic nations.

Cooperation is a process of persuasion not subjugation. The days of empires are gone. [passage omitted]

[Al-'Umayr] The question continually asked is: When will the war end and where is Iran dragging us now that the Gulf is full of foreign fleets?

['Abdallah] We have always warned of the international complications that could result from this insane war. We know how and when war begins but we do not know how it develops and what it leads to.

Once it has broken out, war controls the warriors, not vice versa. The Gulf is not merely a waterway. It is the passage for the most important commodity, or rather strategic commodity, for the whole world, which is oil.

That is why Iran should have realized that the world would not allow it to play havoc and commit acts of piracy as it pleased and block delivery of oil to the markets. So Iran is entirely to blame for the presence of the fleets in the Gulf and for the risks arising from that now and in the future.

[Al-'Umayr] From the minor security of the Gulf to the greater security of the hajj, which concerns the entire Islamic nation: Iran may try to disturb the hajj and foment riots even if it does not send any pilgrims. What measures has the Kingdom taken to deal with any emergency and to maintain the security and preserve the sanctity of the hajj?

['Abdallah] On the question of Gulf security, we and the GCC states have, thank God, all the means necessary for repulsing any aggression and deterring any aggressor.

The same applies to the prevention of any attempts to disturb the hajj atmosphere through demagogic demonstrations or provocative slogans. We will not allow any voice to rise in any way above the prayers and supplications of the worshipers.

No obscenity, wickedness, or argument is allowed. I hope that no side, group, or individual will try to test our determination to quell every riot or disturbance which might undermine the pilgrims' security.

[Al-'Umayr] As the time was approaching 2300 in London, we moved from the Gulf to the other parts of the Arab East where his highness is known to have played an effective political role.

I asked his highness: Could we know the result of the attempts of the custodian of the two holy mosques [King Fahd] to reconcile Syria and Iraq, Jordan and the PLO?

['Abdallah] I have frequently said we cannot stand fast in this great battle of survival except through Arab unity and Islamic solidarity throughout the world.

I have also said that marginal differences between Arab governments have divided our nation and fragmented it into floating wrecks that move with the tide of events.

That is why, in continuation of the policy of the founder, King 'Abd al-'Aziz, may he rest in peace, and the policy of his offspring after him, the custodian of the two holy mosques is making every possible effort to promote Arab reconciliation, out of the conviction that unity of ranks is the only way to achieve the objectives. Sadly, we sometimes see differences over details developing into disputes over fundamentals.

I could not and cannot now discern any basic reason that would justify the current differences between Iraq and Syria, for example, or between Jordan and the PLO or even between one Arab or Islamic country and another. The pan-Arab and religious links should be and should remain the criteria for every course and objective.

That is why we should not view Arab and Islamic causes in light of personal or temporary interests or even in light of mutual interests, but should do so in light of common destiny.

The causes of nations cannot afford to be upstaged, bargained with, or maneuvered with. All that is necessary is to live up to the historic responsibility to God and future generations. [passage omitted]

[Al-'Umayr] I did not wish to conclude the long interview — parts of which are for publication while other parts are not — without broaching the new ideological developments in the Soviet Union and the extent of their impact on Moscow's relations with the Arab world.

['Abdallah] There can be no doubt that the Gorbachev doctrine as spelled out in his book "Perestroyka" is not a doctrine of reform but a complete departure from Marxist philosophy and Soviet ideology.

Although Gorbachev has not declared his own or the Soviet Union's return to the realm of belief in God, his repudiation of the Marxist view of man and his role in society will certainly lead him to that in the end.

It can be truthfully said that Gorbachev's ideology and internal policy reflect the hopes and aspirations of the peoples of the Soviet Union. [passage omitted]

I think the only reason preventing Gorbachev from turning to Western liberal socialism as a first stage is the power struggle that is going on. Without question, Gorbachev's implicit rejection of Marxist atheism will result in a positive attitude toward Islam and Muslims in and outside the Soviet Union.

[Al-'Umayr] So, Your Highness, are you optimistic about the future of Islam and Muslims in the Soviet Union?

['Abdallah] Yes, I am very optimistic about the future of Islam not only inside the Soviet Union but in every other country in the world. [passage omitted]

United Arab Emirates

AL-ITTIHAD on Heir Apparent-Murphy Meeting

JN2306133988 Abu Dhabi AL-ITTIHAD in Arabic 21 Jun 88 p 1

[Untitled editorial]

[Text] What His Highness Shaykh Khalifah ibn Zayid, heir apparent and deputy commander in chief, said to U.S. envoy Richard Murphy reiterates the firmness of the government's policy laid down by the leader Zayid

out of pan-Arab commitments toward the Palestinian people, who are struggling to regain their right to freedom, independence, and the establishment of their state on their national soil.

Khalifah was clear and frank in his call on the United States to follow a positive policy vis-a-vis the Middle East and to turn to justice in discussing the legitimate rights of the Palestinian people. Khalifah affirmed there is still an opportunity to do so.

As Khalifah was pointing out that the United States still has an opportunity to review its stands, he, in fact, was expressing the wisdom of the stand that does not close doors, particularly if these doors are opened to good things. The UAE has opened such doors and calls on others to enter if they serve the pan-Arab issues.

Shaykh Khalifah expressed a collective Arab stand when he expressed the country's concern over the terrorist Zionist practices to quell the valiant uprising. Such practices require U.S. intervention at least out of humanitarian motives to end the tribulation of the Palestinian people.

Khalifah said frankly and clearly what the U.S. envoy should convey to his administration, if it is really earnest in its desire to hear the Arab voice spoken by his excellency yesterday and carrying advice to a superpower that is supposed to play a positive and fair role toward the Arab issues.

What is important is that Washington, not Murphy alone, listen, because this is in the interests of the American people themselves, as the leader Zayid affirmed when he called on the United States to be biased toward justice rather than Israel.

Reportage on Gulf War Combat Activities

Iranian Claims on Raids Denied

JN2306154988 Baghdad INA in Arabic 1538 GMT 23 Jun 88

[Text] Baghdad, 23 Jun (INA)—An Iraqi military spokesman has denied Iranian allegations of Iraqi Air Force raids against residential districts inside Iran.

The spokesman told INA today that the Iraqi Air Force was active today only against Iranian oil field installations and military sectors.

Communique No 3,227

JN2306165388 Baghdad Domestic Service in Arabic 1610 GMT 23 Jun 88

[Communique No 3,227 issued by the Armed Forces General Command on 23 June]

[Text] In the name of God, the merciful, the compassionate. The following is a roundup of our units' activities for last night and today:

1. The missions carried out by our Air Force to implement the tasks referred to in our Communique No 3,226 issued before noon today against enemy sectors in the operation theater numbered 113. The aggressors sustained heavy losses in men, weapons, and equipment. Our aircraft also destroyed many weapons and infantry positions and gun emplacements. All our aircraft then returned safely to base, thanks be to God.

2. Our valiant helicopter gunships mounted 30 combat missions, inflicting further losses on the enemy, and then returned safely to base with God's care.

3. Nine enemy personnel were killed and three vehicles were destroyed in the I Army Corps northern sector.

4. Five scoundrels were killed and a machinegun and three assorted emplacements were destroyed in the II Army Corps central sector. Five others were killed and a vehicle was burned in the III Army Corps sector east of Al-Basrah.

5. Three enemy personnel were killed and two infantry positions were destroyed in the IV Army Corps sector east of Maysan. An engineering vehicle was destroyed and an ammunition depot was blown up in the VII Army Corps sector.

[Signed] The Armed Forces General Command, 22 June 1988

Rabin Views U.S. Trip, New Policy in Territories

TA2406061488 Jerusalem Domestic Service in Hebrew 0405 GMT 24 Jun 88

[Text] Major General 'Amram Mitzna', commander of the Central Command, has ordered the release of 89 detainees and prisoners in the territories, complying with the request of public figures in Judaea and Samaria to help restore normal life. According to the Defense Ministry's new policy formulated yesterday, the defense establishment will ease up on its pressure and release inhabitants of areas in the territories where quiet has been maintained.

Defense Minister Yitzhaq Rabin announced this new policy last night prior to his departure to the United States, in an interview with our Army affairs correspondent Karmela Menashe.

[Begin recording] [Menashe] During his visit to the United States, the defense minister will confer with the U.S. President, administration officials, and congressmen. Topics to be discussed are the situation in the Middle East, the problem of the territories, the escalation in the arms race, and past and future plans, as the defense minister put it.

Eighty-nine prisoners from Judaea and Samaria are scheduled to be released today. Defense Minister Yitzhaq Rabin said that the release of prisoners would be conducted according to a carrot-and-stick policy.

[Rabin] Some 50 to 80 detainees awaiting trial will be released every day if there is insufficient evidence to bring them to trial. Convicted prisoners who have completed their sentences and people placed under administrative detention for 3 months will be released. We should not forget that it has been almost 7 months since 9 December [day the uprising began], and although administrative detentions have been enforced on a large scale since March, some were enforced even before that. Therefore, there will be a continuous process of arrests and detentions as well as releases.

A meeting was held in my office today [23 June] to discuss extending the detention terms of some administrative detainees and releasing others. Instead of releasing all of them in one swoop, we decided to shorten the prison terms of inhabitants of areas in the territories where there has been relative quiet, and of those detainees and prisoners whose families have mended their ways.

We decided to follow a carrot-and-stick policy by giving them the carrot and not always the stick. Consequently, it was decided that each regional command would compile a list of prospective detainees to be released.

[Menashe] Do you also plan to ease your policy insofar as deportations are concerned?

[Rabin] No way, deportations are absolute. At the moment, we will not allow the return of any deportees. We intend to continue enforcing deportations selectively. They do not constitute a transfer.

[Menashe] Addressing himself to the escalation in the arms race in terms of surface-to-surface missiles and their use, the defense minister said he would be given access to U.S. military installations housing missiles that in the future may intercept surface-to-surface missiles in midair. [end recording]

Cairo Confirms New Ambassador to Egypt

TA2306075688 Jerusalem THE JERUSALEM POST in English 23 Jun 88 p 2

[Report by the diplomatic correspondent]

[Text] Egypt yesterday confirmed the accreditation of Professor Shim'on Shamir, who will replace Moshe Sason as Israel's ambassador.

Shamir, one of Israel's leading experts on the Middle East, teaches contemporary Middle Eastern history at Tel Aviv University. He founded the Israel Academic Centre in Cairo and served as its director from 1982 to 1984.

Shamir will take over in a few months, when Sason completes his seven-year tour of duty in Cairo.

MK Olmert Departs on 'Secret' Visit to Europe

TA2406053588 Jerusalem Domestic Service in Hebrew 0400 GMT 24 Jun 88

[Text] Knesset Member Ehud Olmert departs this morning for meetings in Europe on a trip described as secret. Our correspondent reports that Olmert's mission has been approved by and coordinated with Prime Minister Yitzhaq Shamir. Our correspondent also notes that Olmert was present at the prime minister's meeting with Soviet Foreign Minister Shevardnadze a few weeks ago.

Tamir Discusses Relations With Japan, Uno Visit

TA2406084588 Jerusalem THE JERUSALEM POST in English 24 Jun 88 p 6

[Report by Menahem Shalev]

[Excerpts] Director-General [of the Foreign Ministry] Avraham Tamir hopes that the brief Sunday visit of Japanese Foreign Minister Sosuke Uno will not be squandered on minute bilateral details, which he terms "nonsense." The talks with Uno, he proposes, should concentrate on the role Japan can play in stabilizing a potential Middle East peace and on grand proposals for Japanese investment here.

Tamir wants the Japanese to set up a "Japanese project" in Israel, as they have done in some Arab countries. This, he says, could be devoted to a massive research and development project on, for example, reclamation of the desert, or to an industrial project.

Japan can contribute to the peace process in two main ways, says Tamir. First, by continuing its present policy of encouraging economic ties with the area. Second, Japan, along with other industrial powers, could play a major role in the international subcommittee of the envisaged international conference which would deal with the regional economic enterprises. [passage omitted]

Tamir has no doubts about where Japanese priorities lie.

The Arab market is a very significant factor in Japan's economy, not only because of its massive consumption of oil, but also because of the lucrative Arab purchasing market. And Japan also invests massively in Arab countries, thereby contributing to raising the Arab standard of living, and consequently spurring even more sales.

"On the other hand," he says, "Japan is quite aware of the fact that there can be no stabilizing process in the Middle East without Israel."

The balance between the two interests is expressed in Japanese explanations for Uno's visit. On the one hand, he is the first Japanese minister to visit here, but on the other hand, Japan insists that the visit does not signify a change in Japanese policy towards Israel.

Tamir downplays the importance of Japan's pro-Arab Middle East stance. "It is the type of thing that we have to read, to hear, and not pay attention to."

He believes that Japan's public espousal of an independent Palestinian state and withdrawal from all the territories, including East Jerusalem, is mainly "declarative" and meant to please Arab ears.

"But in talks with us," he reveals, "they say that they support the Shultz plan, that they support a confederation with Jordan, that they support the main elements of the April 1987 London agreement. The fact is that this week's industrial summit in Toronto endorsed the Shultz plan, and Japan did not object."

Tamir is opposed to the gungho policy—supported by some in the government and by many Jewish organizations in the U.S.—of publicly castigating Japan for the adherence of major Japanese companies to the Arab boycott.

"We have enormous potential to develop our economic ties with Japan he says, "without manning the barricades over the boycott."

Japan is very much aware of Israel's clout in the U.S. Tamir says, but believes that this tool should be used discreetly.

"I told our ambassador in Japan that we can reach exports of one billion dollars to Japan by 1990 without making too many waves."

Exports to Japan have risen since 1985 from $209 million to a projected $650m-$700m this year. Tamir believes that there is enormous potential for developing trade even without changing boycott practices.

"Instead of fighting against the boycott, let's see what can be do. It's the big companies who are a party to the boycott. But there are hundreds of medium sized Japanese companies—many as big as our Koor—who want to do business with us for strictly business reasons."

He criticizes Israeli industries and businessmen, who, he says, "have no mechanism to break into so-called unknown, or new, or distant countries. Even in the U.S. we are only realizing 20 percent of our potential. It's always easy to whine 'They're against us, they're PLO-niks,' but this is nonsense."

Tamir preaches with fervour about the importance of the Far East, which he has visited several times. His pleas sometimes fall on deaf ears.

"The Far East has two-thirds of the world's population and its emerging economic superpowers," he says. "If we don't change our perception, we will lose the future."

Shamir Views Call Urging Palestinians To Riot

TA2306155288 Tel Aviv IDF Radio in Hebrew 1400 GMT 23 Jun 88

[Excerpt] Police should sever any hand raised against the unity of Jerusalem, Prime Minister Yitzhaq Shamir said tonight, referring to the latest leaflet urging residents to stage riots in East Jerusalem. Our correspondent Shlomi Stein reports:

[Begin recording] [Stein] Leaflet No 20 was disseminated yesterday, and called on residents to disrupt the unity of Jerusalem. Tonight, Prime Minister Yitzhaq Shamir reacted to the leaflet's contents.

[Shamir] These threats should challenge Israeli police to make a special effort to repel any attempted dissension, and to sever any hand raised against the unity of Jerusalem, our eternal capital.

[Stein] Shamir made these remarks at a ceremony marking the end of a senior police officers' course. [end recording] [passage omitted]

Rabin Rejects IDF Role in 'Political Solution'

TA2306085988 Jerusalem THE JERUSALEM POST in English 23 Jun 88 pp 1, 8

[Report by Knesset reporter Asher Wallfish]

[Excerpts] Defence Minister Yitzhaq Rabin said in the Knesset yesterday that it was not the IDF's job to bring about political solutions to the problem of Israel's relations with Jordan and the Palestinians, or to determine the final status of the territories.

Rabin was replying to a large number of urgent motions for the agenda on different spheres of his ministerial responsibility.

"The IDF is not involved in policy or in politics," he said, "and it has been given only two tasks: to restore calm, and to maintain the network of administration and local government.

"We shall not fold up in the face of violence, and we shall meet violence with legal force. But we are aware that the mission of the IDF and the measures which it adopts are not calculated to bring about a political solution. That can be attained solely at the negotiating table."

In an oblique reference to the leftwing opposition, the minister attacked "those who spread despondency in order to bring about surrender." And in another oblique reference, this time to Industry and Trade Minister Ari'el Sharon, who has demanded his dismissal, Rabin attacked the "false messiahs with their magic wands who try to delude people into believing that the turmoil can be brought to an end in one fell swoop." [passage omitted]

Rabin downplayed charges by Likud MK [Knesset Member] Uzi Landau that the authorities had not halted the massive flow of PLO funds into the areas to fuel the intifada [uprising]. "Our efforts to stop the PLO money coming in have been substantially effective," Rabin said. "The smallest sums of all come across the river via the bridges. The Arab banks and Arab organizations also bring in a little. We still have a problem with the money-changers, and not just the Arab money-changers. We still have a problem with the money for the uprising coming in through Israeli banks. And there is money entering to fuel the turmoil as a result of cooperation between Jews and Arabs." Rabin denied Landau's charge that the Defence Ministry was "indifferent" to the inflow of PLO money to subsidize its sympathizers.

He said that Yasir 'Arafat would be "overjoyed" if he were as effective as Knesset members said he was. "His credibility is tarnished and the Arabs know that 'Arafat does not keep his commitments. That is why 200 Arab policemen who resigned came back to their posts when their families were hungry. They did not get even the half-salary they were promised if they quit," Rabin said.

The minister added that administrative and economic measures in the territories were designed to show the population there that civil disobedience and a boycott of the Civil Administration and the local government were "an unattainable dream."

Rabin said: "We try to limit (punitive) administrative and economic measures to definable centres of civil disobedience, but it is not always possible to localize the effect of such measures." [passage omitted]

Conference Attendee Denies Meeting With PLO

TA2306083888 Jerusalem THE JERUSALEM POST in English 23 Jun 88 p 2

[Text] An Israeli participant at an academic conference held in Amsterdam last week yesterday denied press reports that the Israeli participants had met with PLO officials.

"I made quite sure that I would not be meeting with PLO officials," said the participant, who asked not to be identified. "It was a conference on the dynamics of self-determination, attended by Israeli, Palestinian, Dutch, Belgian and American academics."

He stressed that the two PLO members who attended the conference—Afif Safiyya and Ilan Halevy—did not participate actively in the conference.

"They were only observers, and I made sure not to meet with them," he said. "There was no intention to challenge the law."

HADASHOT newspaper reported yesterday that Moshe 'Amirav, one of the Israeli participants, met with PLO officials, but 'Amirav denied the report.

Other sources, however, said some members of the Israeli delegation did meet with PLO officials. The sources declined to elaborate or be identified.

The Israelis who participated in the three-day symposium included 'Amirav, Nitza Shapira-Liba'i, the former adviser on women's affairs to then-prime minister Peres, Me'ir Pa'il, and human rights lawyers Na'omi Hazan and David Kretzmer. They were invited by the Free University in Amsterdam.

Last month, four Israelis who met two years ago with PLO officials in Romania were convicted of breaking a 1986 law banning contacts between Israelis and the PLO.

IDF Denies Palestinian Prisoner Tortured

TA2306074888 Jerusalem THE JERUSALEM POST in English 23 Jun 88 p 2

[Report by Joel Greenberg]

[Excerpts] An IDF spokeswoman yesterday denied allegations by MK Ran Kohen (Citizens Rights Movement) that a Palestinian prisoner in the West Bank was paralysed and mute after being tortured by security forces.

She said findings by Israeli and Red Cross doctors showed the prisoner to be in good physical condition, though suffering from a hysterical reaction.

"No signs were found of torture or physical harm allegedly caused during interrogation," she said. [passage omitted]

The IDF spokeswoman said Muhammad Zakarani [name as published] was arrested on February 25 in Qabatiyah on suspicion of involvement in the lynching of a local man accused of being a Shin Bet informer. Zakarani initially confessed to stoning the man's house, but when confronted with evidence that he had taken an active part in the slaying, refused to cooperate and began complaining of paralysis in his legs, the spokeswoman said.

Zakarani was taken several times to Tel Hashomer and 'Afula hospitals, and doctors who examined him there said he was in good physical condition. One said he believed the prisoner was feigning illness.

On March 7, Zakarani was examined by a Prisons Service doctor who determined that he had developed a hysterical reaction, though his health was sound. On March 13, Zakarani was again referred to Tel Hashomer after what appeared to be an epileptic fit, but doctors found him in good physical condition. A further check on May 30, after he complained of numbness in the lower part of his body, again established that he was physically healthy, the spokeswoman said.

She added that a Red Cross doctor who examined Zakarani found no physical problems.

Zakarani is being held in Tulkarm for the duration of legal proceedings against him. The medical examinations had revealed nothing to justify his release, and he is being held in prison because of the serious charges against him, the spokeswoman said.

Levi Plans New 'Housing Units' for Territories

TA2306043988 Jerusalem Television Service in Hebrew 1730 GMT 22 Jun 88

[Excerpt] Construction and Housing Minister David Levi stated today that 2,000 housing units would be built this year in the Jewish settlements in Judaea, Samaria, and the Gaza District. The minister added that new roads would be paved: the Qalqilyah-'Azzun detour road and a detour road south of Jerusalem to the Gush 'Ezyon settlements.

Minister Levi today inaugurated a new construction site in the settlement of Alfe Menashe. Our correspondent Menahem Hadar notes that the Housing and Construction Ministry has doubled the aid it gives to building contractors in order to encourage them to build in the territories despite the drop in demand for apartments there. Contrary to the past, the ministry now finances development works and has increased loans to purchasers of apartments in the territories by 30 percent. According to an official report, in fiscal 1987/1988 the ministry invested 46 million Israeli shekels in construction in the Jewish settlements in Judaea and Samaria. [passage omitted]

Doctors Refute Rabin on Effects of Tear Gas

TA2306190588 Jerusalem Television Service in Hebrew 1830 GMT 23 Jun 88

[Text] The team of doctors that had published a report on the damage caused by tear gas used in the territories issued a reaction today to remarks made by Defense Minister Yitzhaq Rabin. The defense minister wrote to Knesset Member 'Oded Zucker from the Citizens Rights Movement that the gas causes neither miscarriages nor harm to fetuses.

In their statement, the team reiterates its position that the main problem is the use of gas in confined spaces. The defense minister, they say, has not addressed this issue. Overexposure to gas in confined spaces can cause serious damage, mainly to babies and the elderly, since they cannot easily leave the affected premises, thus staying exposed to gas for extended periods of time.

More on Unrest, Related Incidents in Territories

Jew Stabbed in Hebron

TA2406102688 Jerusalem Domestic Service in Hebrew 1000 GMT 24 Jan 88

[Text] An inhabitant of Qiryat Arba' has been stabbed in Hebron and was transferred to Hadassah-'En Kerem Hospital in Jerusalem. The victim managed to fire his gun and wound the assailant. This is reported by our correspondent Moti Amir.

5 Arrested for Stone Throwing

TA2406090088 Jerusalem THE JERUSALEM POST in English 24 Jun 88 p 2

[Report by Andy Court]

[Excerpts] The Jerusalem police arrested five Palestinian youths yesterday evening as Egged buses in the city once again became targets for nationalistic stone-throwers. [passage omitted]

Palestinian flags appeared in the city's Arab areas from the morning hours on. Stone-throwers attacked Egged buses on Salah al-Din Street in East Jerusalem and the Shu'fat Road in northern Jerusalem, according to Jerusalem police spokesman Rafi Levi. [passage omitted].

The five arrested youths have confessed to throwing stones at the buses, Levi said. [passage omitted]

Curfew Imposed in Gaza Camp

TA2406070988 Tel Aviv IDF Radio in Hebrew 0630 GMT 24 Jun 88

[Excerpt] A curfew was imposed on the Al-Shati' refugee camp in Gaza this morning to prevent disturbances during the day. A curfew has been in effect for 5 days on a section of Gaza's main street. [passage omitted]

IDF Seizes West Bank House

TA2306202388 Jerusalem Domestic Service in Hebrew 2000 GMT 23 Jun 88

[Text] The IDF commander in Judaea and Samaria has issued an order to seize a house in the town of Halhul for military purposes. The order was issued following numerous incidents of stone throwing and incessant disruption of transportation on the route where the house is located, near the Jerusalem-Hebron highway. Military sources have told our correspondent Aharon Barne'a that the commander of the Central Command has decided to resort to this measure after many other steps were taken without effect.

Families living in the seized house have received a 48-hour grace period to remove their belongings. They have been offered alternative living accommodations for the duration of the order, and they will be reimbursed for all other expenses connected with their evacuation.

The order is effective for 3 months. The military sources have told our correspondent that the IDF will continue to use this measure in any circumstances and locations requiring it.

Arabs Claim IDF 'Ran Amok'

TA2406084888 Jerusalem THE JERUSALEM POST in English 24 Jun 88 pp 1, 21

[Report by Yehuda Litani, Kenneth Kaplan, and Joshua Brilliant]

[Excerpt] Residents of the Al-Ama'ri refugee camp near Ramallah said that an IDF paratroop unit ran amok last night, knocking down doors, breaking into houses, smashing furniture, and beating residents, including children.

An eyewitness said that an ambulance driver, arriving at the scene, was dragged by his hair and beaten by two of the soldiers. The driver and five residents of the camp were taken to the Ramallah hospital for treatment. The witness said that the paratroop rampage took place without any provocation from the camp's inhabitants.

Military sources said last night that for the last two days, youths from Al-Ama'ri stoned Israeli vehicles driving past the camp on the Jerusalem-Nabulus highway. The sources added that they had no knowledge of the incident, which is being checked. [passage omitted]

Mitzna' Orders Detainees Freed

TA2306172788 Jerusalem Domestic Service in Hebrew 1700 GMT 23 Jun 88

[Text] Major General 'Amram Mitzna', commander of the Central Command, has ordered the release of 89 detainees and prisoners from the territories, thus complying with the request of public figures in Judaea and Samaria to help them restore normal life in the region.

Our correspondent Aharon Barne'a reports that the commander of the Central Command granted pardons to 17 detainees, while 27 detainees will be released tomorrow and legal proceedings against them will be deferred. Also, the sentences of 45 administrative detainees will be reduced.

Military sources told our correspondent that additional pardons and reductions of prison terms should be expected in the future, particularly among inhabitants of villages and towns where quiet prevails and normal life is not being disrupted.

[Jerusalem Domestic Service in English at 1700 GMT on 23 June says that Mitzna' "has ordered the release of more than 150 Palestinian prisoners detained during the 6-month-old uprising in the territories."]

Court Overturns Detention Order

TA2406091088 Jerusalem THE JERUSALEM POST in English 24 Jun 88 p 2

[Report by Ben Lynfield]

[Text] The High Court of Justice yesterday ordered the immediate release from prison of Palestinian journalist Hatim 'Abd al-Qadar, marking the first ruling against state administrative detention practices since the start of the Palestinian uprising.

The text of the court's decision was not disclosed yesterday. But a Justice Ministry spokesman said that the decision, made after a review of classified Defence Ministry documents, was based on "technical reasons" that pertained to the specific circumstances of 'Abd al-Qadar's arrest and did not negate the general principle of administrative detention for reasons of state security.

The ruling will probably not affect the fate of several thousand other Arabs currently being held in detention, although it may cause the Defence Ministry to be more "specific and careful" before using its detention powers in the future, legal sources said.

Data on Registration of Pilgrims to Mecca
TA2006105988 Tel Aviv HADASHOT in Hebrew 20 Jun 88 p 2

[ITIM Report]

[Text] The number of pilgrims from the territories to Mecca in Saudi Arabia has dropped significantly due to the intifada [uprising]. In contrast, the number of pilgrims from within the Green Line boundaries has risen considerably. This was reported by religious Muslim circles in Jerusalem yesterday.

According to the estimate of the Waqf office in Amman which is supposed to supervise the pilgrims from the West Bank, only 300 candidates for the pilgrimage registered in 1988, compared with 3,300 in 1987. At the same time, only 213 [as published] candidates were registered in the Gaza Strip, compared with 2,500 last year.

Arab religious circles attributed the sharp decline in the number of pilgrims to economic problems which compel the Palestinians in the territories to limit their expenditures. Another difficulty is the Israeli authorities' demand that those who leave the country prove that they have paid all their taxes, while the PLO is calling on the Arabs to dissociate themselves from the authorities.

In contrast, lifting the age limit on those who leave for Arab countries from within the Green Line boundaries has resulted in an increase in the number of pilgrims, from 4,000 in 1987 to 5,000 this year.

Israeli Arabs Arrested for Weapons Possession
TA2106154188 Jerusalem Domestic Service in Hebrew 1100 GMT 21 Jun 88

[Text] The Galilee District police last night raided villages in the Galilee, Valleys, and Haifa Districts and arrested 20 Arab residents who were found in possession of large quantities of illegal weapons and ammunition.

Our correspondent Shula Schmerling reports that this is the final stage of a large-scale police intelligence operation that began a month ago, in the process of which huge quantities of ammunition and weapons have been found. In the first stage of the operation, some 3 weeks ago, 50 Galilee villagers were arrested, and last night the police arrested another 20.

Our correspondent notes that the affair started with the arrest of a 52-year-old Shefar'am weapons dealer. During his interrogation he revealed many details on the extent of illegal weapon sales. Using this information the police launched an intelligence operation that resulted in the reported arrests and seizure of large quantities of weapons and ammunition. The inquiry is still under way.

Bedouins Arrested for Throwing Stones at Police
TA2406051388 Jerusalem Domestic Service in English 0400 GMT 24 Jun 88

[Text] Five Bedouins from the 'Arab al-Sawt Tribe have been arrested on suspicion of hurling stones at police and shouting at them: Kill the Jews! The arrests took place yesterday afternoon near Haifa, when a police patrol saw a 4-year-old drive a tractor with his father sitting alongside. The police wanted to arrest the two on the tractor, but the father and four relatives began hurling stones at the police. They will be brought before a judge today.

Commentary Analyzes Status of Jordanian Option
TA2306112788 Tel Aviv 'AL HAMISHMAR in Hebrew 23 Jun 88 pp 6, 8

[Commentary by Pinhas 'Inbari: "The Palestinian-Jordanian Option"]

[Text] Now that both the Moscow and Algiers summits are over, some far-reaching changes are beginning to show in the status of the Israeli-held territories. This will soon have tangible manifestations, but they will not be in Israel's or Jordan's favor.

Israel has not yet noticed it, but the results of the policy employed to quell the intifada [uprising] have actually boomeranged. Pretty soon, possibly even during Defense Minister Yitzhaq Rabin's upcoming visit to Washington, Israel will hear about it. What has become clear to anyone in his right mind anywhere in the world—although still not in Israel—is that Israel can no longer control the territories and that continued rule over the Palestinians runs counter to the revolutionary process of rapprochement that is taking place between the superpowers. Furthermore, it is not in the spirit of Europe's aspirations to meet the challenge presented by this global process.

Today, 20 years later, Israel does not even presume to represent the interests of the local inhabitants (the Palestinians, that is, not the settlers.) The entire Civilian Administration apparatus has been harnessed not to serve the population but to punish or harass it, as though it were a company of new recruits. The law no longer serves as a legitimate tool to protect the interests of the local inhabitants. Instead, it is a punitive measure. Whenever Israel can cite the law on town planning and construction, for example, it acts accordingly. But when it cannot, it acts outside the law. This does not refer only to the unprecedented use of administrative detentions, but also, as in Bayt Sahur, to the demolition of fences erected by civilians who were merely trying to grow some vegetables behind them, or the sowing of destruction and chaos in villages such as Bayt Immar.

Recently, worrisome reports have even come in from Jericho. Even in Jerusalem, which is subject to Israeli law, policemen deviate from the strict letter of the law in the name of enforcing it. A case in point is 'Isawiyah, where all the windows of the houses along the main street were systematically broken and the car of a peaceful resident was wrecked apparently for the simple reason that a Palestinian flag was hoisted near his home.

Consequently, Israel's image in both the territories and the world outside is no longer that of a legitimate regime responsible for the population, but of a raucous bunch of phalangists, at best. It no longer enjoys the status of a government. Instead, it is merely another "pretender" to legitimacy, competing with the intifada's "strike force."

In the absence of respect for the government, it caves in and crumbles. Thus, the more soldiers it sends, the more roadblocks it erects, and the more it harasses the local residents who are entitled to services, the more Israel will demonstrate not its strength but its weakness. Power is not demonstrated by numbers but by the scarcity of troops required to enforce the law. In hassling an entire population, Israel is signaling that it has reached the end of the road in the territories.

As we noted above, both international and Arab forces are hoping to redirect this course of events. The main development in contacts between the superpowers and the various Arab elements is exemplified in the rising significance of the Palestinian factor at the expense of the "Jordanian option."

More than ever before, it is now necessary to provide an immediate answer to the question of who is Israel's addressee: Jordan or the Palestinians? Yet like the fabled two rival theses, they, too, breed a synthesis. The Jordanian option no longer fulfills the hopes that were previously pinned on it, and under no circumstances can it simply replace Israel. If the superpowers and the Arab world intend to find a solution to the challenge posed by the intifada, it cannot take the form of substituting the Hashemite rule over the Palestinians for the Israeli administration. The Arab world will never settle for removing the Palestinian bomb from under the Israeli chair and repositioning it under an Arab seat, thereby undermining the fragile stability in the Arab world instead of shaking Israel from within.

It is now perfectly clear that the West Bank will be Palestinian, not Jordanian. This is not to say, however, that Jordan is bowing out. The Arab world, after all, does not want that either, as was made clear to the PLO in the practical contacts over the handling of the financial aid to the territories. The decision was that the money will not be managed exclusively by the PLO, but jointly with Jordan. Palestinian militancy worries the Arabs, who would like to see mature and responsible Jordan watch over the naughty Palestinian child for them.

The rise of the Palestinian factor in the Jordanian-Palestinian equation coincides with the historical fact that the Defense Ministry is headed by one who may be the most pro-Jordanian minister ever. Had such a development taken place during the days of 'Ezer Weizman or Shim'on Peres, the Israeli reaction would undoubtedly have been far more flexible and positive. They would have regarded it as an opportunity to be seized, rather than as a hazard. But Rabin clings to a firmly-entrenched world view which places hurdles in the path of Israeli participation in these developments.

Rabin's reasons for this are serious and cannot be dismissed lightly. He views the demilitarizaiton of the West Bank as a precondition to the final peace arrangements. If Jordan is the representative of the Palestinian problem, it can be asked to demilitarize parts of its sovereign land, following the precedent set in the Sinai when Egypt was involved. However, one cannot ask the Palestinians to demilitarize their entire state, because what kind of sovereignty will they have if they cannot establish an army to defend their country? Moreover, a Jordanian-Palestinian state will open the door to the resettling of refugees on the East Bank of the Jordan River, while a Palestinian state in the West Bank and Gaza alone will necessitate implementing the right to return to the West Bank only. Restoring a Hashemite kingdom on both banks of the Jordan River will, furthermore, revive the process of Palestinian immigration eastward, a process that was nipped during the 6-Day War.

This may be desirable, but it is not happening. In preferring the Jordanian factor, Israel is going against the general flow, including Jordan's desires....

The Labor Party, which proudly flies the Jordanian option banner, is not happy with this development, particularly as it is happening during the crucial election campaign. Rabin's mysterious meetings with Palestinian personalities have helped those party activists who spoke out in favor of the Jordanian option, which in essence involves a confederative solution to western Eretz Yisra'el. On the other hand, these meetings have also shown that Rabin is not the right man to effect the change in Israel's policy. The brutal policy employed in the territories has won Rabin the epithet heretofore reserved for Sharon in the Arab world's Palestinian press: "Saffak," or one who sheds blood.

The list of notables who refused to see him is far more impressive than the list of those who ultimately agreed. The need to conceal the identity of his interlocutors undermines the political significance of these meetings. What effect can anyone who dares not report his meeting with the Israeli defense minister have on the course of the intifada? Instead of indicating a rise in Israel's stature, these meetings only point to its waning influence in the territories. Such meetings used to be an everyday occurrence, and the most outspoken representatives of the nationalist Palestinian stream in the territories—like

Bassam al-Shak'ah of Nabulus or Karim Khalaf of Ramallah—would welcome the Israeli defense minister in their respective towns with great pomp and accord him the greatest respect.

The bitter truth about Jordan's recoiling from the "Jordanian option" became evident to the Labor Party leadership in the course of Secretary Shultz' previous visit to the Middle East. By some accounts, Foreign Minister Shim'on Peres' immediate reaction was that if it is impossible to bring Husayn to the negotiating table, it is better to pursue the course of unilateral autonomy. Rabin objected, arguing that even elections in the West Bank would be preferable to unilateral autonomy. Indirect confirmation of sorts to the above report may be found in Rabin's answer to a question he was asked during a visit to Ramallah: Would he prefer unilateral autonomy to elections in the West Bank? Rabin rejected the former out of hand, maintaining that he knows of no such autonomy. There is only unilateral withdrawal, he contended, and this is unacceptable to him. He refused to address repeated questions on elections.

Members of Weizman's circle also object to the concept of unilateral autonomy, because of its one-sidedness. They maintain that the issue at present is not some unilateral Israeli move, because Israel has in fact been trying to establish unilateral autonomy since the first day of its rule over the territories. The challenge today is to find a partner to a dialogue. Clearly that partner must be Palestinian, and the PLO must somehow be prevented from torpedoing the advent of such talks. These negotiations should not be conducted behind closed doors, as the defense minister has been conducting them. They should be sanctioned by the tacit agreement of the PLO. Here, Egypt could play a positive role. Talks with the Palestinians will not replace a broad political process, but will serve as a lever to bolster it.

Rabin cannot stomach such a position, because he will not let Egypt enjoy an influential status in the territories in lieu of Jordan. Certainly he will never allow the PLO to enjoy any status there whatsoever.

Two recent developments have been underestimated in Israel in general and by the defense establishment in particular. This could be indicative of Rabin's real way of thinking. The first is the position paper drafted by PLO spokesman Bassam Abu Sharif. Rabin immediately dismissed it. This proved that there is a Palestinian option, but that Rabin will not accept it at this stage. The other development is the joint communique issued by Palestinian and Israeli writers and poets, which talked about the principle of two countries for two nations and which sees Jerusalem as the capital of both. The bottom line is: The Palestinian option is far more realistic than most Israelis realize, and this failure to acknowledge reality is largely due to the Labor Party's reservations about it.

Moderates Urged To Accept Abu Sharif's Challenge

TA2306143688 Tel Aviv MA'ARIV in Hebrew 23 Jun 88 p A14

[Commentary by 'Ofra Yeshu'a-Lyth: "Palestinian Perestroyka?"]

[Excerpts] The thousands of words written by 'Arafat's senior adviser should be read over and over, and then we should admit that the Palestinians again succeeded in exploiting the element of surprise. This formulation, which is supposed to represent "PLO views", is a 180 degree turnabout from the organization's well-known positions. [passage omitted]

It would of course be stupid to forget 'Arafat's infamous habit of releasing three or four versions of his views, or to ignore the fact that there is nothing new. For years Palestinian figures have been whispering "dovish" declarations in foreign ears, including Israel's, in heart to heart talks over a cup of coffee or a glass of whiskey. We were right in always saying to those who whispered in our ears: If you have something to say, say it out loud so everybody can hear.

This time the remarks were really said out loud. "A trial balloon" was sent up in public, and those Palestinians demanding a reaction from the other side are right. If Abu Sharif was worth quoting when we could prove from his statements that "there is nobody to talk to," then his declaration that he agrees with maintaining Israel's security also carries weight.

Voices are already being raised from the rejectionist front inside the "nationalist camp," as expected. One can understand their fear that the Arabs will stop cooperating, and continue to play their traditional role of always saying "no". On the other hand, the Labor Party and all the others belonging to the "sane camp" will not be pardoned if they do not respond to the Palestinian challenge. The only possible answer is that "if the Palestinians express themselves in this way, we can sit down to direct negotiations."

We lose nothing by responding in this manner. The ball will go back to the Palestinian court. If the supporters of the article are powerless, then nothing has changed and at least we did not lose points in public relations. If an internal war between Palestinian moderates and hawks begins, it will not damage Israel, although not much will be gained either. If 'Arafat does the impossible and permits his organization and people to stand behind Abu Sharif's words, a new and exciting era will begin.

In the past few months we have often compared the intifada [uprising] to the Yom Kippur War, and complained publicly that no "Al-Sadat" has come forth from among the Palestinians to propose a political process after the restoration of their national pride. 'Arafat's adviser threw down the gauntlet, which is no less astonishing than the late Egyptian president's readiness to

come to Jerusalem. Up to now we have blamed the Arabs for "not losing a single opportunity to lose an opportunity," in the words of Abba Eban. If we do not give the new Palestinian move a chance, the loss will be entirely our own this time.

Secure Borders Concept Termed 'Meaningless'

TA2106174688 Jerusalem AL-NAHAR in Arabic 21 Jun 88 pp 1, 11

[Editorial: "Israel and the Talk About Peace and Arms"]

[Text] Yesterday the Israeli news media highlighted with great emphasis the possibility of Syria's acquisition of sophisticated M-9 missiles from the PRC. The range of these missiles is about 600 km and they are reportedly of the advanced generation of missiles with respect to accuracy in targeting.

Prior to this deal, Israel also broke the story of the Saudi missile deal with the same emphasis, alleging that it represented a shift in the balance of forces in the region and would one day pose a danger to Israel's security.

Even before all this, and within the framework of the Middle East equation, Iran, the major party in the Gulf war, acquired Silkworm missiles from the PRC.

It is apparent from these latest developments that the Middle East has entered a new era of the arms race in which Israel has been the leader by conducting its famous tests on the Jericho missiles. These missiles have a range of approximately 1,500 km.

The least that can be said about the renewal of the arms race in this region is that it is a definite and basic outcome of the failure of all political efforts aimed at achieving a peaceful solution to the conflict and at extricating the region from a deadlock and political vacuum. If the state of no peace and no war is not overcome, then the sounds of guns and artillery will follow.

Israel, on its part, persists in adhering to its positions by not acceding to international demands with regard to resolving the conflict by peaceful means. Accordingly, Israel adheres to the concept of secure borders. The developments of the technological age, however, and the introduction of new weapons, including missiles, into the future battlefield, renders this concept meaningless and void.

Despite the fact that, as stated by the Israeli chief of staff, the expected Syrian-Chinese missile deal is basically of a defensive nature, Israel, stressing its security considerations, insists on having the upper hand. It insists on possessing the capability to counter any new weapons. Israel must realize, however, that this capability is not everlasting and that having the upper hand cannot be forever guaranteed. The Gulf war between Iraq and Iran is the best proof of this, and Israel should be the first country in the region to utilize the lessons of this war.

The issue of secure borders, the Israeli star wars project, and the development of anti-missile weapons cannot be an alternative to a just and comprehensive peace. Such a peace is the greatest guarantee of security. Perhaps what Shultz said sometime ago about weapons and their development is the best evidence that talk about secure borders is no longer valid.

The opportunity is still available for international efforts aimed at convening the international conference for peace in the Middle East, within the framework of its defined objectives and the exchange of land for peace. This is what is needed rather than talk of new arms deals flooding the region, warning of the outbreak of a new war that will make previous wars look like a picnic.

Policy of 'Suppression' Termed 'Failure'

TA2106191788 Jerusalem AL-SHA'B in Arabic 21 Jun 88 p 1

[Editorial: "The Harsh Reality"]

[Text] Two days ago the commander of the central command, 'Amram Mitzna', acknowledged that the uprising which has been going on since last December changes and acquires new shapes every now and then, that it is accelerating with high velocity, and that the situation cannot return to what it was before the uprising. This statement reveals only a small part of a large reality so long as Mitzna' and other Israeli leaders insist on closing their eyes to it and underestimating it.

A month after the outbreak of the intifada [uprising] Israel's leaders competed in making statements and predictions to the effect that the intifada was collapsing and that it constituted no more than some scattered events that would soon peter out. Now Mitzna' is acknowledging facts which he should have admitted 6 months ago.

There is no doubt that Mitzna''s acknowledgment of the intifada's escalation, renewal, and perpetuation reveals the failure of Israeli policy that has been pursued for 6 months against the Palestinians in the occupied territories. This policy has alternated between deportations, detentions, demolition of homes, the uprooting of trees, the breaking of bones, and other forms of suppression unrivaled even by the racists of South Africa.

Even though Mitzna' acknowledged this reality 6 months after the intifada, the manner in which the intifada is proceeding and accelerating will force Israel's leaders to admit other facts which they have persisted in ignoring. The coming days will bring forth harsh realities which Israel's leaders must acknowledge should they desire to

achieve security for their people. Otherwise, keeping one's eyes closed to the plain facts will result only in increasing tension and dragging the region to the brink of new disasters and wars.

Algiers 'Secret Accords' on Aid to PLO, Jordan

TA1906153388 Tel Aviv 'AL HAMISHMAR in Hebrew 19 Jun 88 p 3

[Report by Pinhas 'Inbari]

[Text] Yesterday, the East Jerusalem weekly AL-BAYADIR AL-SIYASI unmasked details about the secret accords reached in the Algiers summit concerning the West Bank and the financial allocations Arab countries will make to the PLO, Jordan, and Syria.

According to the report, the PLO will get $128 million in urgent aid, Jordan will receive $150 million, and Syria will receive $250 million.

Libyan ruler Mu'ammar al-Qadhdhafi promised to pay his debt to the joint Jordanian-PLO committee so that body can resume its activities. In their talks, Al-Asad, Husayn, and 'Arafat decided that the latter would soon visit Amman and Damascus.

Referring to Jordanian-PLO relations, the East Jerusalem weekly reported that 'Arafat promised King Husayn he would deposit the PLO funds in Jordanian banks in order to maintain the rate of the Jordanian dinar, which has recently been dropping. For its part, Amman promised to release Palestinian detainees held in Jordanian jails.

If the PLO deposits large sums of money in Jordanian banks, the collapse of some prominent banks that have recently run into serious difficulties could be prevented.

HA'ARETZ Analyzes Labor Party Elections

TA1706132588 Tel Aviv HA'ARETZ in Hebrew 17 Jun 88 p B1

[Article by Dan Margalit: "A Thorough Facelift"]

[Text] The Alignment did not apply makeup early yesterday morning at Yad Tabenkin in Ef'al [where the party's internal elections were held]. The change in Labor's Knesset list is not cosmetic. This party went through a thorough facelift. This is a substantive change, not only in the Knesset list, but also in the composition of the members who make up its ranks.

Alignment 1988 reflects an important sociological development: It is functioning as a federative party somewhat resembling the Democrats in the United States. This is a type of permanent political agreement among groups having a common denominator and whose ideological basis is becoming thinner the more it expands. The members of Georgian origin are partners to the kibbutz members only as long as the basic interests, at least, of the two groups are satisfied. The same applies to moshav people and Haifa district activists—in fact, to all.

This is an absolutely necessary result from the achievement of the political goals of the Alignment-Labor over the past decade. From a party that in 1981 derided the so-called ruffians [people of Sephardi origin who are worse off economically], it has become a political organization that represents a considerable number of them. More particularly, the party has become an organization that understands that what it attributed to them in the past did not reflect reality, nor justified the haughty attitude toward them. The incomprehensible derision of the Sephardi communities has vanished.

It is the Likud, of all parties, that is facing an ethnic problem, the likes of which it has not known since David Ben-Gurion withdrew from the political arena in 1963 and as long as Menahem Begin starred on the same stage. Opposite a fresh, young team of candidates of Sephardi origin, especially enlightened Moroccans who ran their towns successfully, the Likud is facing the upcoming elections with solid, veteran representatives from the Sephardi communities. There are no new faces in Herut's mirror, not only because David Levi, Moshe Qatzav, and David Magen are holding onto the parliamentarian altar firmly, but especially because about 10 princes are blocking the entrance, all of them sons of the generation of revisionist founders from East Europe [reference to the revisionist movement led by Ze'ev Jabotinsky and his successor and disciple Menahem Begin].

The veterans among them have already been stained by Israeli politics, as was the case in the disgraceful vote by Ehud Olmert, 'Uzi Landau, Roni Milo, and Dan Meridor, besides dignitaries such as Moshe Arens and Eliyahu Ben-Elisar, for the amendment to the "Who Is a Jew" law and for a pardon for Jewish Underground detainees, contrary to any correct procedure that is well-known to these educated academics. The new faces among them, such as Binyamin Netanyahu, Binyamin Begin, and Rahel Kremerman-Meridor, have no advantage over youthful members such as Amir Peretz, Shim'on Shitrit, and Eli Dayan of the Alignment. If the pollsters' assumption is correct, that the vote by people of north African origin is still the factor that will tip the scales between the two large blocs, the new Labor Party list has posed a new, substantive problem for the Likud, one that it had not experienced in the past.

The rank and file of the Alignment-Labor is a reflection/portrayal of the bewildered Israeli voter. It seems he is more self-confident than portrayed by the party's leaders. It was typical—and this phenomenon repeated itself several times during the long election night—that activists on behalf of moderate Knesset members [MK's] tried to persuade the passersby that there is no chance of holding a dialogue with the Arabs, that no unilateral

concessions must be made, and that a firm policy is necessary in the territories. When they were told that their leaders think differently, they waved their hands in dismissal.

Nevertheless, there are enough doves on the list, whose presence in leading positions will shortly exacerbate relations between the Alignment on the one hand and the Citizens Rights Movement [CRM] and MAPAM on the other. It is true that only the party platform is binding on its MK's, and not the wishes of the new hawks (Shitrit, Mikha Goldman) or the doves (Arye Lova Eli'av, Amir Peretz, Avraham Burg, and Yosi Beilin). The attractiveness of the moderate, compromising group, however, may push CRM's Yosi Sarid or MAPAM's Ya'ir Tzaban to radicalize their positions so as to accentuate the differences between them and the Alignment-Labor. It is almost inevitable that the Alignment will also lure potential voters from the left, not only those who waver in their choice between it and the Likud.

The Alignment's Knesset list heralds the fact that in the coming months, Yitzhaq Rabin, more than Yitzhaq Shamir, will become a major target for left-wing criticism. Until the Knesset is dissolved, Rabin will be called to its podium to defend his policy in the territories as if he were a representative of the Likud.

The election of the Knesset list recorded no changes that will help pull the Alignment's wagon out of the information mud, nothing that will extricate it from the vise of the Jordanian option to which it continues to adhere even after King Husayn's rejection of peace at the Algiers summit.

The tacticians of the Alignment's election campaign are facing numerous difficulties even before they have actually launched their campaign. The vote in Ef'al showed that the senior leadership also requires success at all costs, since this show of democracy in which the Alignment leaders take pride also gives rise to a threatening message vis-a-vis Shim'on Peres, Yitzhaq Rabin, and Yitzhaq Navon: If not now, when?

The unique achievement of Moshe Shahal, who placed first in the top 10 positions [following the 7 guaranteed spots], after a long period of dispute with Peres, is not the result of tricks played by an astute politician and popular minister. It shows that an oppositionist within the establishment has been placed in a top position, which has a double significance: Shahal will be a Foreign Ministry candidate if the Alignment forms the next government, and he is at the head of the opposition leadership capable of replacing the present leaders if they remain on the opposition bench after the elections. This message had considerable support in the outstanding success achieved by Gad Ya'aqobi and Mordekhay Gur. These two also had long periods of strife and profound controversy with the party leadership. They are part of the potential future threat.

These messages will not change the premises of the election campaign. The Alignment is starting out in an inferior position, but also with a good chance to turn the election results in their favor. They also have a 1-month advantage on the Likud, a party still troubled by internal struggles.

Peres, Shamir, Other Leaders' Popularity Polled

TA1706112088 Tel Aviv MA'ARIV in Hebrew 17 Jun 88 p A6

[Text] A public opinion poll conducted in the second half of May 1988 by the Modi'in Ezrahi Research Institute, under the management of Dr Rahel Yisra'eli, indicates the following trends: a slight increase in Peres' popularity and stability for Shamir. The findings regarding various personalities' suitability for the office of prime minister have been tabled and compared to the findings of polls conducted in March and April 1988.

The person most suitable for the office of prime minister:

	May 1988	April 1988	March 1988
Peres	38.2	36.2	35.4
Shamir	30.2	29.5	27.3
Rabin	4.1	4.6	5.0
Sharon	4.0	4.1	6.8
Kahane	1.1	2.1	unpolled
Arens	1.8	1.9	unpolled
Levi	1.5	0.9	unpolled
Refa'el Eytan	1.1	unpolled	unpolled
Other	7.2	7.4	12.2
No candidate	11.9	12.3	13.3
Total percent	100.0	100.0	100.0

The minor differences between the April and May findings can be attributed to expected sampling deviations, and do not necessarily reflect trends in the polled personalities' popularity. The findings hint, however, at a slight rise in Peres' popularity and stability for Shamir.

To receive a fuller picture, the pollsters examined Peres' and Shamir's popularity with the voters of each political party and bloc. The findings indicate that with the right-wing bloc and religious parties voters, Shamir is the most popular candidate for the office of prime minister, while Peres is the most popular with the left-wing bloc. Peres has the support of 78.9 percent of his party, the Alignment, while Shamir has the support of on[illegible] 64.6 of the Likud voters and 42.9 of the religious parties voters.

Poll Gives Alignment Advantage

TA2206145388 Tel Aviv HA'ARETZ in Hebrew 22 Jun 88 p 1

[Text] Over 20 percent of all potential Israeli voters are still undecided or refuse to reveal what party would receive their vote "if the elections to the Knesset took place now." The rest of the voters give the Alignment an advantage over the Likud. These findings are the result of an all-Israeli poll commissioned by HA'ARETZ and conducted by PORI Institute during the first week of June.

Some 30.9 percent of those polled said they would vote for the Alignment, while 3 percent said they were leaning that way, totaling 33.9 percent. Of the other potential voters, 26.2 percent said they would vote for the Likud, and 2.3 percent said they were inclined to vote for the Likud, totaling 28.5 percent.

About 10.8 percent were undecided, 7.9 percent refused to reveal their choice, and 2.5 percent said they would not vote at all. This unknown vote totals 21.2 percent of the voters.

The poll's results follow:

	(percent)	
Alignment	33.9	[as published]
Alignment-inclined	5.2	[as published]
Likud	28.5	[as published]
Likud-inclined	6.2	[as published]
Religious parties	4.4	
Other	0.6	
Undecided	10.8	
Refuse to say	7.9	
Will not vote	2.5	
	100.0	

A total of 71.0 percent of those who voted for the Alignment in the 11th Knesset elections said they would vote for the Alignment again, versus 65.8 percent of Likud voters who said they would vote again for the Likud. Of the Alignment voters to the 11th Knesset, 2.9 percent said they would vote for the Likud in the upcoming elections, compared with 6.8 percent of past Likud voters who said they would vote for the Alignment this time. The poll was conducted throughout the country on a representative sample of 1,200 Jewish male and female voters over the age of 18, who were polled in personal interviews in the privacy of their homes.

Reportage on Visit by Japanese Foreign Minister

Arrives 23 Jun

JN2306152188 Amman Domestic Service in Arabic 1500 GMT 23 Jun 88

[Text] Amman—Japanese Foreign Minister Sosuke Uno arrived in Amman this afternoon on a 2-day visit to Jordan as part of a tour of several states in the region. During his visit, Uno will meet Crown Prince Hasan, the regent; Prime Minister Zayd al-Rifa'i; Foreign Minister Tahir al-Masri; and several other officials.

Uno was received at Amman airport by Foreign Minister Tahir al-Masri and a number of officials. The Japanese minister is accompanied on his visit by a delegation comprising the director general of the Middle Eastern and African Department at the Foreign Ministry, the director of the Loans Department, and other Japanese officials.

To Offer Low Interest Loans

OW2406015888 Tokyo KYODO in English 0105 GMT 24 Jun 88

[Text] Amman, June 23 KYODO—Jordanian Prime Minister Zayd al-Rifa'i told Japanese Foreign Minister Sosuke Uno on Thursday that Jordan supports in principle U.S. Secretary of State George Shultz' proposal to convene an international conference for peace in the Middle East.

Uno arrived in Jordan, the second leg of his tour of four Middle East countries, earlier Thursday from Syria where he met President Hafiz al-Asad and his counterpart Faruq al-Shar' to discuss peace in the region.

Al-Rifa'i said he welcomed the just-ended Toronto summit's "Chairman's Summary" calling for international cooperation for peace in the Middle East.

The summary, released Monday, declared support for the convening of a "properly structured" international conference for an early settlement of the Arab-Israeli conflict.

While acknowledging Japan's big role in the summit of seven leading industrial democracies, Al-Rifa'i expressed thanks for Japan's efforts for increased official development assistance (ODA) and efforts to help settle regional conflicts.

Al-Rifa'i said he has talked with Shultz many times about his Mideast peace proposal, which was supported at the summit.

However, Al-Rifa'i raised points at issue in the proposal, in which the Palestine Liberation Organization (PLO) would attend the international conference as the sole legitimate representative of Palestinians.

In a meeting with Uno, Jordanian counterpart Tahir al-Masri also welcomed recent moves between the United States and Soviet Union to promote talks for peace in the Middle East.

Al-Masri also expressed high hopes of the role to be played by Uno, who will next visit Egypt and then Israel as the first Japanese foreign minister to do so.

Uno indicated Japan will continue urging the superpowers to help bring peace to the region.

On bilateral relations, Uno told Al-Masri that Japan will offer low-interest loans of about 17.5 billion yen for road construction and irrigation modernization projects in Jordan.

Of these yen loans, which will carry an annual interest rate of 2.9 percent, about 13.4 billion yen will be used for road construction and 4.08 billion yen for irrigation modernization.

The money will be offered as part of 300 million dollars worth of loans to Jordan on the basis of Japan's nonmilitary measures decided last October to help secure safe passage of civilian vessels in the Persian Gulf.

Further on Talks 23 Jun

JN2406065288 Amman Domestic Service in Arabic 0400 GMT 24 Jun 88

[Text] Amman—Last night Prime Minister Zayd al-Rifa'i received in his office Japanese Foreign Minister Sosuke Uno and his accompanying delegation. The Jordanian and Japanese representatives held a meeting in the office of the Prime Minister. During the meeting, the prime minister reviewed the Jordanian stand on the Middle East issue in accordance with the policies declared by His Majesty King Husayn.

The prime minister expressed appreciation for Japan's position, which shows understanding of the Jordanian and Arab position, especially with regard to the subject of the international conference and the achievement of a just and peaceful settlement.

Al-Rifa'i also reviewed Jordan's line on the Iraq-Iran war and called for an end to this war in accordance with Security Council Resolution 598.

The prime minister put a high value on the existing ties of friendship between Jordan and Japan. These ties have been consolidated by His Majesty King Husayn's visit, and also by the successful and outstanding visit which His Highness Crown Prince Hasan, the regent, made to Japan recently at the head of a high-level Jordanian delegation. During that visit, discussions were held on all aspects of bilateral economic cooperation in light of the

Japanese Government's decision to grant a loan of $300 million to Jordan in appreciation of its active role, and also in support of the outstanding economic development process in Jordan.

The Japanese foreign minister expressed his profound appreciation of Jordan's policy and announced that the Japanese Government has decided to finance several Jordanian projects amounting to $140 million as part of the Japanese loan to Jordan. The minister also announced that his government has agreed that these loans will be repaid within 30 years, including a 10-year grace period, and at an interest of 2.9 percent.

The competent Jordanian officials are continuing their talks with the visiting Japanese delegation on financing several other projects.

The two sides also agreed to exchange cultural programs and discussed the possibility of exchanging airline flights between Royal Jordanian and Japan Airlines.

The meeting was attended by Foreign Minister Tahir al-Masri, Information Minister Hani al-Khasawinah, Planning Minister Tahir Kan'an, Dr Fayiz al-Tarawinah, minister of state for Prime Ministry affairs, and the delegation accompanying the Japanese minister.

On the other hand, Foreign Minister Tahir al-Masri and Mr Uno held a meeting at the Foreign Ministry last night. During this meeting, they reviewed the latest developments of the situation in the Middle East, especially the uprising of the kinfolk in the occupied Arab territories.

Prince Hasan News Conference

JN2406060988 Amman Television Service in English 1913 23 Jun 88

[News conference by Crown Prince Hasan "with Japanese journalists" in Amman on 23 June—recorded]

[Text] [Hasan] May I take this opportunity of welcoming you this afternoon and expressing my deep appreciation of the visit of Japan's foreign minister, or Mr Uno. We realize that in coming here from the Toronto summit, that he will necessarily be slightly weary after what has been an extremely productive meeting that we feel has contributed constructively to furthering entente in East-West relations. We recognize with great appreciation the international cooperation initiative taken by Japan, and I am extremely gratified that during my visit earlier this year to Tokyo, that the subject of the initiative was a topic of discussion. We appreciate that, as prime Minister Noboru Takeshita said in London, that Japan as a country contributes to the world, and for us that means greater cooperation between countries of Asia, Japan in the Far East and Jordan in West Asia, in addition to renewed Japanese efforts in the international diplomatic search for peace and stability and a just resolution to the Middle East problem.

I would like to take this opportunity of inviting you, gentlemen, to put your questions and your observations, and thereby to maximize the use of our time here together. Once again, a hearty welcome to Jordan.

[Reporter] Could you please give us your opinion about the Japanese foreign minister's (?first) visit to Israel?

[Hasan] We are fully cognizant of the fact that the foreign minister will be making a regional tour. He was, as I understand, in Damascus, and today in Amman, and clearly will be taking away perceptions, first hand, of the Middle East dispute, as it has been termed in all its aspects. It is customary for dignitaries, not least of all of countries as prestigious as your own, as Japan, who have expressed such a deep interest in problem resolution to be exposed to all points of view, and we hope inasmuch as you will be visiting at a time of extreme agitation, at a time of struggle by the Palestinian people for their rights. [sentence as heard] The ongoing uprising, as you know, is approaching its 1st year.

The death toll of Palestinians continues to rise in the occupied territories, and I think it is very difficult for us to depict adequately the nature of the conflict to our visitors, and I would hope certainly that in the discussions with officials in this region that the principles of the Japanese position on the Middle East conflict will continue to dominate the visit by the foreign minister to the region.

As we understand these principles, the Japanese Government emphasizes the importance of the withdrawal of Israel from territories occupied in June of 1967, the implementation of Resolutions 242 and 338 governing these withdrawals, and recognizes the right of self-determination for the Palestinian people—recognizes, as indeed Jordan does, the right of the Palestinian Liberation Organization, PLO, to represent the Palestinian people, and that recognizes, once again, the free choice of the Palestinian people and indeed I think it is very clear, in the wake of the Arab summit conference in Algiers, that this principle has been reiterated and takes into account the wishes of all parties concerned with this tragic conflict, as it seeks—that is to say again, the Japanese Government, through flexible and constructive diplomatic initiatives—to narrow the gap between the belligerents.

So, we feel that this exposure during such a regional tour is the prerogative of the Japanese Government. We are confident that the principles that govern Japanese foreign policy will continue to be the guiding light and motivation during the foreign minister's visit.

[Reporter] In what way can Japan contribute to the Middle East peace process?

[Hasan] It is our feeling that in terms of the Middle East peace process that, as the prime [as heard] minister has stated clearly, he believes that the momentum of peace

initiatives should be maintained. Now, as far as that is concerned, it is clear that for the first time on an OECD agenda in Toronto, the industrial nations, the Group of Seven, are meeting to discuss an agenda which is not only an international economic and social agenda, but also touches on regional conflict resolution as well.

When we say regional conflict resolution, I would not be digressing from the Middle East peace process if I were to refer to the interests that Japan and Jordan share in seeing an application of conflict resolution in the context of the Gulf War; that is to say, in seeing a sequel to United Nations Resolution 598 in bringing the parties in the Gulf conflict to the negotiating table. We also note with interest Japan's support for the Geneva accords that in the wider context of the Middle East achieved a breakthrough in terms of the ongoing Soviet troop withdrawal from Afghanistan.

For us, there is a convergence, a confluence of problem resolution between these three conflict areas. For us, the Afghanistan example and model gives us three important precedents: The withdrawal of troops of occupation, the return of refugees, and the right of self-determination. We know very well that these are principles deeply held by the Japanese Government and the Japanese people, the principle of the non-acquisition of territory by war.

[Reporter] I want to ask two questions. The first one is: How do you view the prospect of the Shultz plan? How do you view its future? Second question is: Would you agree to an international conference without Egypt?

[Hasan] Well, if I could I answer your second question first by saying with all due respect, it apears to us to be a nonquestion in the sense that the formulation—and I am well aware, sir, that you may not be posing the question; you may be quoting the question as it has been posed by others—but it is perfectly clear to us that when we look at a comprehensive solution to the Arab-Israeli conflict, we look at the responsibilities of all countries who have been affected directly this conflict.

And I would like to make it clear that in terms of Egypt's contribution to the international conference, that is to say, a contribution to a concept of basic security, which can only be achieved by a lasting commitment by all parties to the conflict, and clearly even Egypt's peace agreement with Israel is jeopardized by the continuing aspects of conflict in the Lebanon, or for that matter on Palestinian soil, that Egypt's recognition of a final and lasting peace agreement is essential to guaranteeing basic security and lasting peace in the region.

On the first question that you are kind enought to raise—what is the future of the Shultz initiative?—I would say that we have come very far in terms of our discussions with the United States both as an Arab group and indeed as Jordan. I would like to make it clear that as far as Jordan is concerned, on the question of representation of the Palestinin people, that we cannot come further than a shared understanding of the need for an international conference without a recognition of the rights of the Palestinian people. When we refer to the Palestinians, we are referring collectively to an all-embracing term which includes their right of representation by whomsoever they choose, by the Palestine Liberation Organization.

It has been stated in the past that a formula acceptable to the United States is the participation of a Jordanian stroke Palestinian delegation. That is to say, a joint Jordanian and Palestinian delegation. We have made it clear in the Algiers summit that we recognize the Palestinian will on this matter. If, as his majesty has stated and restated, it is a question of Palestinian choosing, then so be it. The Algiers summit has made it equally clear that the Arab leaders and the Palestine Liberation Organization, particularly in representing the Palestinian people diplomatically during this forthcoming period and with the ongoing uprising, that the Palestine Liberation Organization, as has been described by one Palestinian leader as the passport of conscience, or if you will the international post office box for the Palestinian question. [sentence as heard]

We would expect that engagement between Palestinian representatives and the United States is only normal. There have been references in the press over the past (?few) days to such contacts, and we would expect to see further references made. We shall watch with interest and extend what support is expected of us only if such support is directly requested by the Palestinian people and their legitimate representatives.

[Reporter] I am very glad to see you again. The other day when you visited Japan, I fortunately attended the press conference which you held at the press club. So, and before I came here I visited Toronto, Canada, for news coverage of Toronto summit. So, you just mentioned about the result. So, as you said, the Middle East problem is discussed among the leaders. And could you give me little more evaluation or thought: How do you feel about the content of the statement which they declared?

[Hasan] Well, I believe that there is something characteristic of recent summitry, that not very much detail is apparent in statements. Possibly the import of that is to say in statements not the Miyazawa plan, of course, but in statements on the Middle East conflict. I think that it is very clear that a lot of discussion has taken place over issues which are, as I said, symptomatic of the Middle East conflict. For example, the question of terrorism and violence. And we would hasten to caution that the international community, concerned as we are with combating terrorism and violence, should not address a symptom but should rather address the root cause of such ongoing extremism.

We have often been asked on the question of fundamentalism, for example, what our view is of Islamic fundamentalism, and our response to that is very clearly that

fundamentalism in the plural, whether Christian or Jewish, or Muslim fundamentalism, is very clearly affecting the future of the lives of people in this region. When you arrive, as his majesty has made very clear in the past, at the psychotic point where moderation and centrism and clear thinking holds little credibility politically with extremist schools, then there is very little value in continuing to hold a politicly centrist line. And I think that this is one of the dangers that political centrism faces.

So, we would hope really that such a reference would include a very clear underlying current of interest in the detailed questions relating to progress, as your colleague earlier asked, on the Shultz initiative for example, and indeed on the ongoing search for peace in the Middle East. We noticed with interest that when Secretary Shultz flew after the Moscow summit to brief European allies again that the subject of the Middle East, we believe, behind closed doors was a subject of intense interest to the participants in meetings in Brussels. [sentence as heard] It is our hope, therefore, that some progress can be made, but I think that the basic stumbling blocks are still clear.

They are, as I said, related firstly to Palestinian representation and the form it will take, and secondly to the degree of serious intent on the part of the Soviet Union and the United States to achieve what has been described as an effective international conference. The role of the conference is a subject clearly of some interest to European countries, members of the Security Council, equally members of the OECD and the Toronto summit meeting.

Incidentally, turning to bilateral relations I would like to once again express our deep gratitude for the initiative taken by the Government of Japan in the $300-million untied loan to Jordan. We recognize that in this initiative is an important departure from established practice, that is to say, from an emphasis on bilateralism when regarding the Middle East. As you recall the statement in the Diet, the Japanese Parliament, in I believe it is October of last year, made quite clear that this loan also recognized as part of its rationale Jordan's positive role in contributing to regional stability and to Gulf stability.

And I would say that the departure from bilateralism and the emphasis on regionalism is extremely important for us to see developing. The stability of a particular subregion of the Middle East cannot be achieved solely by diplomatic and military initiatives in that region. If we are speaking of politics where people matter, then there has to be a development of complementarity between the hinterland countries, between the perimeter countries and the resource-rich countries of the region, which today are made vulnerable by military conflict.

I would like to recognize once again the intellectual generosity of this particular initiative.

I am gratified that on our side in the Jordanian context that we will be working as hard as we can to develop further the developmental relationship between Jordan and Japan. We also hope that in the question of private investment that we will be able to host representatives of Japanese industry. I had the opportunity of addressing the Keidanren [Federation of Economic Organizations] when last in Tokyo, and I do feel that a greater understanding of the type of challenges that Jordan faces and the type of solution that Jordan projects in the manpower field is extremely important. Jordan is largely an educated society, possibly as a distinct threshold of qualitative education in the Middle East region, and aspires to an important role as a maintenance center in science and technology.

We believe that in conjunction with Japanese private investment that this role will be further enhanced and as we visit a center of scientific excellence tomorrow with the foreign minister there will be a further example, I think, for the gentlemen of the press interested in this area. Secondly, I would also add, that in addition to scientific excellence we look to a further effort in the educational field, which I hope would be possibly a subject of interest in the second tranche of the ongoing disbursement of the loan. So, this is an area I did not want to miss the opportunity of recognizing and appreciating.

Japanese Officials Cited

JN2406071088 Amman Domestic Service in Arabic 0400 GMT 24 Jun 88

[text] Amman—(Shinji Kamininja), head of the Middle East and African Section, and (Nobutaki Odanyo), head of the Press Section in the Japanese Foreign Ministry have said that the Japanese foreign minister informed the Jordanian Government yesterday that the Japanese Government has decided to grant Jordan a loan of about $140 million to help finance projects to improve irrigation methods in the Jordan Valley region and to implement several major road projects in Jordan.

Addressing a news conference yesterday, (Kamininja) and (Odanyo) added that the Japanese Government seeks to contribute effectively toward consolidating its ties with the countries of the region by imparting its technological knowledge out of its belief in the importance of economic development in the the achievement of peace and stability.

When asked about the purpose of the Japanese foreign minister's current visit to Jordan, they said: The minister's visit to Jordan is part of a series of visits to inform leaders in the region about Japan's position on peace

efforts in the Middle East and also to learn the viewpoints of all parties to the conflict in the region. They stated that Japan's stand in this respect is based on UN Security Council Resolutions 242 and 338, Israeli withdrawal from the occupied Arab territories, and the recognition of the Palestinian people's right to self-determination. They also referred to Japan's support for an international conference for peace in the Middle East with the participation of all the parties concerned, including the PLO.

Waite, Other Hostages Reportedly Moved to Tehran

NC2306145388 (Clandestine) Radio Free Lebanon in Arabic 1445 GMT 23 Jun 88

[Text] The UAE paper AL-KHALIJ has cited informed sources in West Beirut as saying that a number of foreign hostages in Lebanon have been moved to Tehran. The paper adds there is a possibility that Anglican Church envoy Terry Waite has also been moved to Tehran prior to being released.

Further Reportage on Inter-Palestinian Fighting

Casualties Updated

NC2306121588 Beirut Voice of Lebanon in Arabic 1115 GMT 23 Jun 88

[Text] Fighting involving the use of hand grenades, rockets, and machineguns broke out between pro-'Arafat and dissident Palestinians along the Al-'Annan, Zayn al-Din, Al-Mihaniyah al-'Amiliyah, and Qasr al-Mashnuq combat lines in the Burj al-Barajinah camp at approximately 1315 today.

AFP has reported that the dissidents, led by Abu Musa [Sa'id Musa Muragha], shelled the Shatila camp at dawn today. The shelling later developed into sniping that lasted until later in the day. A spokesman for Fatah-the Uprising denied the shelling, adding that in the past few days 113 pro-'Arafat personnel have left Shatila and surrendered.

It should be noted that the most recent clashes have left 14 dead and 37 wounded in Burj al-Barajinah and Shatila. This brings the total number of casualties from both warring parties to 80 dead and 461 wounded since the fighting broke out on 30 April.

Situation 'Very Tense'

JN2406064188 Paris Radio Monte Carlo in Arabic 0600 GMT 24 Jun 88

[Excerpt] The situation is very tense in the Palestinian camps area in southern Beirut. So far, all attempts have failed to end the shelling and clashes between the Fatah fighters and loyalists of Abu Musa [Sa'id Musa Muraghah], leader of the Fatah-the Uprising movement and an opponent of Yasir 'Arafat. The PLO issued successive calls urging Syria to stop the shelling of Shatila and Burj al-Barajinah camps from the positions of Abu Musa loyalists. As Yasir 'Arafat asserted in his message to President al-Asad, these positions are present in the mountain in an area supervised by the Syrian forces.

Today, severe tension is reported between the DFLP, led by Nayif Hawatimah, and the Fatah Provisional Command which accused the DFLP of shelling its positions in Beirut from DFLP artillery sites in Dayr Qubil and 'Ayn Drafil, both of which are lying in the mountain south of Beirut. However, a DFLP spokesman has categorically denied this accusation.

In another development, the Fatah Provisional Command has denounced statements made yesterday by Khalid al-Hasan, Yasir 'Arafat's adviser, who urged a direct dialogue between the PLO and Washington. A spokesman for the Fatah Provisional Command said these statements constitute a new concession by Yasir 'Arafat. Yesterday, Khalid al-Hasan asserted that the time of indirect contacts between the PLO and the United States has ended. [passage omitted]

Cease-Fire Decision Reached

NC2406092788 (Clandestine) Voice of the Mountain in Arabic to Lebanon 0900 GMT 24 Jun 88

[Text] Clashes involving the use of artillery, rocket, and automatic weapons are continuing in the Burj al-Barajinah and Shatila camps despite a cease-fire decision which was reached at a meeting held today and attended by representatives of the seven noncombatant Palestinian groups, a Libyan officer, and Major Salim Jani.

AFP, which reported on the meeting, pointed out that despite this cease-fire decision, shells continue to fall on Shatila camp at the rate of six a minute.

'Guarded Calm' in Shatila

NC2406102988 Beirut Voice of Lebanon in Arabic 1015 GMT 24 Jun 88

[Text] Guarded calm now prevails in the Shatila camp following a limited setback at noon, when a shell fired from an artillery emplacement in 'Aramun fell in the camp. Observers described the recent shelling of Shatila camp as devastating, as proven by the fact that many inhabitants have left the camp, where only 25 families now reside.

The four rounds of fighting yesterday and today left 7 dead and 27 wounded.

Syrians Reportedly Moving Into PSP Areas

NC2206175188 (Clandestine) Radio Free Lebanon in Arabic 1545 GMT 22 Jun 88

[Text] Well-informed sources in Iqlim al-Kharrub have disclosed to the CENTRAL NEWS AGENCY that Syrian forces are continuing to deploy along the coastline between Khaldah and Al-Awwali and in the Iqlim al-Kharrub area, both along the coast and well inland. They are establishing permanent assembly points in Al-Sa'diyyat, Al-Jiyah, the Barja junction, the Barja thermal power plant, Wadi al-Zaynah, and the Shihim junction. The Syrian forces have set up a permanent position in the Al-Turabah plant in Siblin and have stationed themselves at 'Anut in Iqlim al-Kharrub.

The sources added that additional Syrian forces have been brought to the area and are expected to deploy on the outskirts of Iqlim al-Kharrub and on nearby hills, particularly in the 'Ayn al-Hawr, Darayya, 'Anut, Shihim, Al-Mtullah, and Mazra'at al-Dahr areas. The

sources noted that Syrian intelligence service personnel are patrolling villages and towns in Iqlim and are raiding the houses of some PSP officials.

The sources went on to say that the deployment plan is expected to be accompanied by the declaration of political and popular stands supporting this new Syrian deployment. The sources believe that in view of this development the situation both in Iqlim and the South might yield further surprises.

The local news agency has cited a PSP source as saying that Junblatt is alert to the implications of Syrian expansion to the areas under his influence. He held an urgent secret meeting with senior officers at the Hammana barracks and briefed them on what was happening. He also told them that he had been in touch with an influential commander and obtained his approval for a decision providing for the Lebanese Army's 12th Brigade, which is under the Hammana barracks command, to assume responsibility for security in all the areas under Junblatt's influence. He also asked the officers to take over security for these areas when they receive the green light from him personally.

The source has reported that Junblatt has put his party's leading figures and his supporters in the picture and informed them that he will soon issue a directive banning the bearing of arms except in cases where he has issued a direct personal command. This move is designed to forestall any attempt by the Syrians to involve him in incidents that would inevitably destroy both him and his party.

The source adds that the Syrians will be obliged not to provoke incidents in the Junblatt-controlled areas, once they are sure that Hammana barracks personnel have replaced Junblatt's people, so as not to clash with the Lebanese Army. Friction with the Lebanese Army is a line that cannot be crossed. This has been imposed on the Syrians by the U.S. Administration.

Weapons, Rocket Launchers Seized in Sidon Area

NC2306121688 Beirut Voice of Lebanon in Arabic 1115 GMT 23 Jun 88

[Text] Security sources in the South have told the Voice of Lebanon that security patrols from the Nasirite Popular Organization have confiscated approximately 200 personal weapons and a quantity of rocket launchers which Hizballah and pro-'Arafat groups were trying to bring into the area east of Sidon.

3 Resistance Operations Reported in South

NC2306172288 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1630 GMT 23 Jun 88

[Text] Resistance men carried out three operations against the occupation forces and their agents today. In the first operation, an M-113 armored troop carrier was destroyed and all the members of its crew were wounded when a Lahd patrol was passing along the 'Aytarun road. The second operation led to the destruction of a Sherman tank, leaving the tank's crew dead or wounded. The Islamic resistance has claimed responsibility for the operation, saying that the martyr Abu 'Ali Nur group ambushed an Israeli patrol along the Kafr Rumman road this morning and attacked it with rockets and machineguns.

The third operation was carried out in (Annan), where a Nasirite Popular Organization group attacked a position held by Lahd militiamen. It is not known what losses were inflicted on the Lahd militiamen, but resistance fighter Khudr al-'Aqili was taken prisoner, according to security sources in the South.

UN Officers Assail SLA Behavior in South

NC2306165588 Paris AFP in English 1605 GMT 23 Jun 88

[By Jean-Luc Porte]

[Text] Al-Naqurah, Lebanon, June 23 (AFP)—The South Lebanon Army (SLA), armed and financed by Israel, has raped women, murdered villagers, plundered homes and burned crops as part of a scorched-earth policy in southern Lebanon, United Nations officers charged here Thursday.

They said abuses of local residents increased sharply after the commander of the SLA, General Antoine Lahd, appointed a new batch of hard-line officers to head the militia, which operates in a "security zone" established by the Israeli Army in southern Lebanon.

In the face of rising anti-Israeli attacks, "the SLA has decided to turn the security zone into a desert, particularly the eastern and northern parts, and have begun to set up permanent checkpoints," according to officers from the United Nations Interim Force in Lebanon (UNIFIL).

United Nations troops have been stationed in southern Lebanon since 1978, where they are charged with maintaining security and helping the Lebanese Government restore its authority.

A new 20-man unit attached to the SLA, called the General Security Service (GSS) and made up mostly of Druze militiamen, has emerged in the eastern sector of the security zone and shares responsibility for harassment of local residents, senior UNIFIL officers said.

The Israeli security zone extends 10 to 20 kilometers (eight to 12 miles) into southern Lebanon along the border with Israel.

A UNIFIL spokesman said GSS members shot a Norwegian U.N. soldier in the leg on June 10 and then prevented medical help from reaching him for more than

an hour. They said the "problem" was resolved only with the intervention of an Israeli officer. [passage indistinct] other recent incidents involving Norwegian troops.

But an Israeli military spokesman said there was no link between the Israeli Army and the group responsible for confrontations with UNIFIL forces.

The SLA militia forcibly conscripts local villagers and has been authorized by Israel to boost its strength from 2,000 men to 6,000 or 7,000, according to one U.N. officer.

Lebanese sources meanwhile reported that Nabih Birri, the country's justice minister and the head of the Shi'ite movement Amal, is organizing a regular army for southern Lebanon.

While the Amal militia in the region has only 150 paid fighters, analysts here said Mr. Birri's popularity is such that he could mobilize as many as 5,000 villagers within a few hours.

But they said he was likely to come under heavy pressure to try an Israeli pilot whom Amal captured in October 1983, notably after a communist member of the Lebanese National Resistance Front was sentenced to 30 years in prison for having taken part in an operation against the SLA.

Birri Vows Detente or Delayed Elections

NC2306164688 Beirut Domestic Service in Arabic 1530 GMT 23 Jun 88

[Text] Amal Movement leader Nabih Birri has stated that the administrative Beirut plan aims at unifying Beirut prior to detente, not prior to the presidential elections. In an interview to be published in the 24 June magazine AMAL, Birri notes that in the coming weeks he will begin political steps aimed at achieving detente prior to the elections. If we fail, he says, we will try to delay the elections until we achieve detente.

Minister Birri believes that there will be no vacuum because according to the Constitution the government takes over the president's tasks when his term ends.

Warning against partition, Minister Birri said: Perhaps others can live with partition; we cannot. For us partition means execution; for the South it means its loss; and for Lebanon it means fragmentation.

Italy To Help Dispose of Toxic Waste Barrels

NC2106175088 Beirut Voice of Lebanon in Arabic 1615 GMT 21 Jun 88

[Excerpt] Lebanon officially decided today to take stringent measures to keep pollutants away from its land and waters. Health Minister Joseph al-Hashim announced the measures following a meeting today with Italian expert (Gustavo Umberto Furtomati), whom the Italian Government sent to Lebanon upon the latter's request. Al-Hashim said that barrels of toxic waste found in Lebanon will be collected and sent to a specific area in the Pacific where, under international law, it is accepted that such waste can be burned.

The Italian envoy expressed his government's willingness to share the cost of burning the toxic waste, which will be transported by specially equipped ships. [passage omitted]

Italian Interests Threatened

NC2306163988 Paris AFP in English 1629 GMT 23 Jun 88

[Text] Beirut, June 23 (AFP)—An unknown Lebanese group threatened here Thursday to attack Italian interests over the dumping of toxic wastes from Italy that has poisoned Lebanese beaches.

"We refuse to make Lebanon the world's garbage pail," said an anonymous caller to a Western press agency, who said he represented "The Organization to Protect Lebanese Rights."

Italy must recover the waste "within a week," the caller said, or the group will "strike violently against all Italian embassies, institutions and interests."

A cargo of 2,400 tonnes of dangerous chemical wastes was dumped last September in Christian-controlled territory north of Beirut, under a contract between an Italian and a Lebanese firm.

The presence of the wastes became public two weeks ago, while at the same time several barrels and chemicals spills were detected on beaches along the Lebanese coastline.

"This affair was planned by the Italian Government and is intended to threaten the life of all Lebanese," the caller charged.

Legal sources here have said Armand Nassar, the president of Nassar Shipping Co., falsified documents to allow the import of the wastes under a contract with the Milan-based Jelly Wax firm.

Lebanese hazardous materials experts said Wednesday that "the presence alone" of the wastes, including pesticides and defoliants, "constitutes a serious danger for man and the environment."

Narcotics Discovered in Fruit Consignment

NC2106190988 Beirut Voice of Lebanon in Arabic 1615 GMT 21 Jun 88

[Text] Security authorities in Lebanon have been notified that customs officials in Amsterdam have confiscated about 2 tons of hashish hidden in boxes containing Lebanese dried fruits. The fruit consignment was transported to Amsterdam from Beirut aboard a Lebanese plane. This is the largest quantity of narcotics smuggled out of Beirut Airport to have ever been seized. The hashish has a reported street value of 500 million Lebanese pounds.

USSR To Establish 'Permanent Base' at Tartus

NC2306165488 (Clandestine) Radio Free Lebanon in Arabic 1545 GMT 23 Jun 88

[Text] LE QUOTIDIEN DE PARIS reports that the USSR has decided to establish a permanent base for its Mediterranean fleet in the Syrian port of Tartus. The paper adds that a senior Soviet naval officer will supervise expansion operations at the Syrian port.

Japanese Foreign Minister Continues Visit

Holds Talks With Al-Asad

JN2306123388 Damascus Domestic Service in Arabic 1115 GMT 23 Jun 88

[Text] At 1030 today President Hafiz al-Asad received Japanese Foreign Minister Sosuke Uno and the delegation accompanying him. The meeting was attended by Foreign Minister Faruq al-Shar' and the Japanese ambassador in Damascus.

The talks dealt with the situation in the Middle East. The president said Syria is eager for a just peace. It wants to live in peace and security, with pride and dignity, and with full sovereignty.

The Japanese minister paid tribute to Syria's position of supporting a just peace and said Japan shares Syria's view regarding the foundations of a just peace in the region.

The talks also dealt with bilateral relations and the importance of bolstering them in the interests of the two countries. The Japanese minister extended an invitation to the president on behalf of the Japanese Government and people to visit Japan. The president gratefully accepted and promised to take it up.

Says Japan Seeks Mideast Role

OW2306225388 Tokyo KYODO in English 1259 GMT 23 Jun 88

[Text] Damasus, June 23 KYODO—Syrian President Hafiz al-Asad said Thursday his country is flexible about the proposed holding of an international conference to settle the Middle East conflict but Israel is not, Japanese officials said.

Al-Asad told visiting Japanese Foreign Minister Sosuke Uno that Israel is very rigid about the problem and wants to keep occupying the West Bank and the Gaza Strip, the officials said.

Israel, Al-Asad said, has not shown a forward-looking stand on the proposed international conference, because the Israelis believe the meeting will restrict their wishes.

It is difficult to think that Israel would seek peace by returning the occupied territories Al-Asad was quoted as saying to Uno.

In the two-hour meeting with Al-Asad, Uno briefed him on the reference made to the Middle East question in the just-ended Toronto summit of seven industrial democracies and told him that Japan wants to make a contribution toward peaceful settlement of the Arab-Israeli dispute, the officials said.

Uno invited Al-Asad to come to Japan around May next year, and the president accepted, they said.

Calls Visit Successful, Departs

JN2306160988 Damascus Domestic Service in Arabic 1515 GMT 23 Jun 88

[Text] Japanese Foreign Minister Sosuke Uno, his wife, and his delegation left Damascus this afternoon following a 2-day visit to the country. He was seen off at Damascus International Airport by Foreign Minister Faruq al-Shar' and his wife, the directors of the Asia and protocol departments at the Foreign Ministry, and the Japanese ambassador and embassy staff in Damascus.

Uno made a statement to SANA in which he affirmed the depth of the existing relations between Syria and Japan. He said these relations date back far in history. The Japanese foreign minister stated that the objective of this visit was to become better acquainted with the Middle East problem.

He claimed that he exchanged views with Foreign Minister Faruq al-Shar' on various issues and matters pertaining to peace in the Middle East with all frankness and clarity and said he listened to his views on justice and peace in the region.

Uno described his visit to Syria as very successful. He noted his talks were fruitful and extremely useful in deepening his understanding of the issue of justice and peace in the Middle East. He continued: I was honored by a meeting with President Hafiz al-Asad, and I had a long conversation with his excellency during which we exchanged views on various issues of bilateral interest.

Uno concluded by saying: The existing bilateral relations are satisfactory and proceeding toward further development and progress. We have agreed to continue efforts to consolidate these relations. I consider the consolidation and promotion of our relations a great gift I carry back to the Japanese people from the friendly Syrian people.

Afghanistan

PDPA Official on Willingness To Share Power

LD2306173288 Belgrade TANJUG in English 1521 GMT 23 Jun 88

[By Aleksandr Stanic]

[Text] Kabul, June 23 (TANJUG)—The People's Democratic Party of Afghanistan (PDPA) is prepared to share power with all the national democratic forces, but not prepared to leave Afghanistan and its people over to "criminals and non-Muslims such as Gulbuddin Hikmatyar" (one of the mujahidin leaders), a PDPA high official told TANJUG correspondent.

Answering the question whether the PDPA would win general elections if all refugees returned to the country, Deputy Chairman of the PDPA Central Committee Publicity and Extension Department Hashmatullah Kayhani said: "I believe it would, but... who knows."

The PDPA's true influence among the people is difficult to assess. There is, however, the impression that the present government bases its self-confidence on the trained (both ideologically and militarily) party cadre, rather than the support of the people or even the effectiveness of the army.

This can best be seen from a statement by president of the provincial committee of Nangarhar to foreign reporters in Jalalabad:

"Even if I had no soldiers, I would succeed in defending the city (Jalalabad), because 12,000 members of the People's Democratic Party of Afghanistan live in it, ready to take arms at any moment," he said.

The PDPA is a "national democratic party that believes in Marxism-Leninism, but at the same time deeply respects the Islamic tradition and acts in accordance with it," said Hashmatullah Kayhani.

Explaining how the materialistic views of Marxism can be reconciled with religious beliefs, Kayhani said that the most important thing is that both Marxism-Leninism and Islam based on the correct interpretation of Koran have the same aim: The happiness of man and justice in the world.

Kayhani confirmed that there still exists a strong section of supporters of sacked General Secretary Babrak Karmal in the party, who do not agree with the present leadership's policy of national reconciliation.

The PDPA official denied that the party is divided into two factions: supporters of Khalq and Parcham, the former small parties that merged to form the PDPA in 1969.

Some independent observers in Kabul, however, believe that the division into Khalq and Parcham is still one of the greatest obstacles to a greater effectiveness of the party. They claim that the Khalq supporters have never come to terms with the supporting role assigned to them in the new party and state structure.

Army Official Predicts War 'for Several Decades'

PM2306093988 Moscow KOMSOMOLSKAYA PRAVDA in Russian 21 Jun 88 p 3

[Correspondent M. Kozhukhov's "Afghan Reportage": "Patent Lie About 'Secret' Advisors"]

[Text] Kabul—How's life in Jalalabad? It seems as though everyone is asking this question today in Afghanistan. Among the delegates to the National Assembly session, which is now discussing the content and program of the new cabinet of ministers. And on the street, there are endless lines of trading stalls without which Kabul would not be Kabul. You only have to turn the radio dial—the same question is being asked on the air.... Over a month has passed since Soviet forces left Nangarhar Province, adjacent to the Pakistani border. Our civil specialists working there also left Jalalabad, the provincial center.

True, AFP claims that the Soviets have "secretly" left 1,000 military advisers in Nangarhar Province! Although if you were to listen to AFP, your blood would run cold: "The opposition forces are fighting for Ghazni.... The mujahidin destroyed three armored carriers. In retaliation the Soviets hit two civilian buses."

"All lies," Colonel Qadir, chief of the Operational Department of the Ministry of Defense, comments briefly on this information. We sat with him in the Afghan Army Combat Control Center—a small place with an entire battery of telephones and battle maps on polished tables. A limited number of people from the armed forces' high command have right of entry here: An exception was made for your correspondent. All operational information on the military situation in Afghanistan, information on combat operations, forward movement of convoys—everything that could in some way or other influence the fragile balance of war and peace—is gathered here in the center.

"The situation in Jalalabad and in Nangarhar Province as a whole after the Soviet forces' withdrawal is fine," Col Qadir says. "Subunits of the 11th Infantry Division and the 1st Border Brigade control a significant portion of the province and are carrying out local operations. Unfortunately, insurgent activity has not diminished significantly."

What does the colonel think about the recent radio interview with G. Hikmatyar, leader of the most extreme wing of the Afghan opposition? According to Hikmatyar a joint session of the counterrevolutionary "alliance" leaders decided to conduct a large-scale operation to

seize a strategically important city in the southeast of the country and to set up an Islamic government there. And although it is not known what city is being talked about, the insurgents' intrigues could be targeted on Jalalabad.

Information from there confirms that forces and equipment are being mustered in the province. Prominent representatives of the opposition parties have visited the regions bordering Pakistan, and significant sums of money are being paid to members of armed detachments.

The situation is being complicated even more by the fact that Pakistan is continuing openly to violate the Geneva agreements. Weapons and combat ammunition are pouring out of the country, and convoys of hundreds of trucks cross the border almost every day. The Afghan Foreign Ministry has sent about two dozen official protest notes, citing these and many other facts, to the UN military observers group, but the situation has not changed.... Rumors are rife that the insurgents are just waiting for the final withdrawal of troops to inflict a retaliatory strike.

"They will not dare to do that," Col Qadir is convinced. "Our units are combat-ready, excellently equipped, and able to repulse them. The insurgents can bomb our outposts, seize a village or even a region, but they are incapable of capturing the entire Nangarhar Province.

General Ghafar, deputy chief of staff of the Afghan Armed Forces Directorate, agrees with this view. But the general, facing up to the truth, does not promise a rapid peace in the country.

"Unfortunately, the war is going to go on for several decades," he believes. Now even the most ignorant peasant will surely understand that the Soviet forces' presence was only the opposition's excuse for war. Now that the Soviets have left, what now? War again. They want power, all the power! And they will continue the bloodshed as long as we go on ruminating from rostrums about "How to eradicate factional struggle in the party" and "How to end desertion" and until we understand the simple truth. When we have a strong party and a strong army, then there will be dialogue and a coalition!...

Indeed, the relative stability in those Afghan provinces from which the Soviet forces have already withdrawn is, by itself, hardly a basis for cheerful forecasts. There are still too many unknown quantities in the complex military political equation which present-day Afghanistan is trying to solve. But the gloomy prophesies that everything would go haywire as soon as the Soviets left were not justified!

Even the fears for the security of the strategically important road which the insurgents are supposed to control have turned out to be unfounded, it would appear... My friend Ibrahim, a nice sixth grader who with his brothers has a fruit and vegetable stall not far from the correspondents' office, displays peaches which are already red, sweet cherries, and sugar melons, and even Pakistani mangoes. The wholesale traders import all this very quietly to the capital along the same road, from there, from Jalalabad.

Mujahidin Government 'Fabricated' by Ziaul Haq

LD2406073388 Kabul BAKHTAR in English 0415 GMT 24 Jun 88

[Text] Kabul, June 22, BAKHTAR—The so-called Afghan interim government declared by seven-alliance from the soil of Pakistan is another flagrant violation of the Geneva accords. The so-called government is headed by a notorious person Ahmad Shah who has spent all his life in the United States and has an American wife as well.

The bilateral agreement between the Republic of Afghanistan and the Islamic Republic of Pakistan on the principles of mutual relations, in particular non-interference and non-intervention stipulate:

"To refrain from the promotion, encouragement or support, direct or indirect, of rebellious or secessionist activities against the other high contracting party, under any pretext whatsoever, or from any other action which seeks to disrupt the unity or to undermine or subvert the political order of the other high contracting party."

This action means the direct support and encouragement of the activities of extremist groups against the people and the legitimate Government of Afghanistan. The essence of this so-called government is revealed by the fact that in its composition the favourites of Pakistani authorities and the extremists are included. Such a composition can never represent the people, refugees and even the anti-state armed formations inside Afghanistan.

The formation and composition of this so-called interim government has evoked the wrath and indignation of the people inside Afghanistan, refugees, and even the armed opposition commanders. The Afghan refugees and the opposition armed commanders have repeatedly expressed their hatred and indignation to foreign journalists regarding the utopian government of Gulbuddin [Hikmatyar] and his colleagues. They have reiterated that they will never recognise such a government fabricated abroad in which the interests of the people of Afghanistan, refugees and the opposition armed forces have not been considered.

When Sebghatullah Mujaddedi resigned from the alliance due to intrinsic differences two months ago he exposed many facts about this so-called government in a few days till he took back his resignation. He had said that Gulbuddin has been enjoying the wide support of Ziaul Haq and the decision on the so-called government was taken only by a few persons attached to selfish

elements and Ziaul Haq's regime. The refugees, commanders, other opposition formations and the people of Afghanistan did not have any share on this decision.

At a time when political and socio-economic transformations have been occuring in the interest of peace and political stability and the people are resolutely supporting the policy of national reconciliation and Geneva accords, such desperate efforts bring nothing but disruption of public opinion.

The Afghan people established the National Assembly as well as the coalition elected government which is strengthening with the elapse of every day.

The crux of the matter is that if the situation had advanced in conformity with the wishes of Gulbuddin Hikmatyar he would have joined the eastern part of the country to the soil of Pakistan and the movement of Pakistanis was freed inside Afghanistan. The enemies of Afghanistan will never be able to achieve their ominous objective.

The political observers and the world radios believe that this so-called government fabricated by Ziaul Haq not only is not acceptable by the people of Afghanistan but is faced with severe reactions of opposition armed forces inside Afghanistan and the Afghan refugees for whom no consideration was given.

Government, Rebel Operations, Clashes Reported

Qandahar, Herat Operations

BK2306031988 Islamabad Domestic Service in Urdu 0200 GMT 23 Jun 88

[Text] According to a report, the mujahidin have launched successful operations near Sarowbi and in the Kabul region in which at least 37 troops of Kabul regime were killed.

Other reports say that the mujahidin attacked the KHAD headquarters in Qandahar city and security posts near Spin Buldak last Sunday and Monday. An ammunition depot was totally destroyed. The mujahidin also attacked a bomb and ammunition depot near Qandahar with rockets, totally destroying the depot.

The military posts of the Kabul regime near Konchi city in Helmand Province also came under rocket attack. The mujahidin also carried out operations against military posts near Chest-e Sharif in Herat Province.

Qalat, Spin Buldak Victories

LD2306184588 Kabul Domestic Service in Dari 1600 GMT 23 Jun 88

[Text] A number of extremist groups who, fearing the successful implementation of the national reconciliation policy, tried to show their force in the surroundings of Zabol Province and Spin Buldak district of Qandahar Province and made a last-ditch effort to disrupt the peaceful life of the area's citizens by committing criminal actions. They were crushed by the heavy blows of the country's Armed Forces.

While the enemies of peace were committing criminal actions in the environs of Spin Buldak district and firing long-range missiles at Qalat city, the Western mass media put out a wild hue and cry about the extremists' seizure of Qalat city and they tried to distort the facts.

The BAKHTAR correspondent in Qalat city sent the following report:

The units and companies of the Armed Forces, which have in their ranks the honest sons of the country who defend peace and tranquility and discharge their duties with spirited devotion, trying to restore a peaceful atmosphere for the work and life of our peace-loving compatriots, inflicted equally crushing blows on the extremist groups and foiled their satanic and treacherous designs.

The dispatched BAKHTAR military correspondent adds:

As a result of successful activities carried out in the surroundings of this province, the extremist groups sustained heavy losses, leaving behind 265 dead and 220 left the battlefield.

As a result of these activities, several of their hideouts were destroyed too.

These activities of the country's Armed Forces once again clearly show that the units and companies of the country's heroic Armed Forces are well prepared for combat and capable of inflicting crushing blows on the warmongering and anti-peace forces in any difficult circumstances. They will never allow the country's enemies to disrupt our noble compatriots' peaceful life.

A responsible source in Qalat city reported to the BAKHTAR military section that, contrary to all the baseless claims in the Western mass media, life is continuing as normal in Qalat city. The peace-loving people of this area, on the side of the Armed Forces personnel stationed in this province, are discharging their worthy and patriotic role by clearing the surroundings of Zabol Province of the extremist warmongering elements. The notorious Western circles were forced to admit to the Armed Forces' victories in crushing the extremist groups in the surroundings of Spin Buldak in Qandahar Province and in Zabol Province.

Qandahar Missile Attack Foiled

LD2306204188 Kabul Domestic Service in Dari 1530 GMT 23 Jun 88

[Text] The BAKHTAR military correspondent has reported from Qandahar Province that the courageous Armed Forces in Qandahar Province today foiled a satanic plot of the extremist elements by their timely action.

Criminal extremist elements who intended to soil with blood a number of our compatriots by putting 12 surface-to-surface missiles in position to be fired on the residential parts of Qandahar city, were discovered and removed by the Armed Forces with the direct cooperation of the peace-loving people of Qandahar.

Rebel Killed in Kabul Explosion

LD2306205988 Kabul Domestic Service in Dari 1600 GMT 23 Jun 88

[Text] A member of the extremist Gulbuddin [Hikmatyar] group who was carrying a quantity of explosives and who intended to plant it in Shahzada market [the main commercial market in Kabul] to bring about a sad situation has met his evil punishment.

The BIA military section reports that 'Ali Khan, son of Muhammad Ebrahim, an extremist terrorist of the Gulbuddin band, while carrying a quantity of explosives in a sack, was killed as a result of this substance exploding in the vicinity of Shahzada market. Two of our compatriots received light injuries. They were discharged from the hospital after receiving treatment.

India

Uttar Pradesh, Maharashtra Ministers Resign

BK2406075888 Delhi Domestic Service in English 0730 GMT 24 Jun 88

[Text] The Uttar Pradesh chief minister, Mr Bir Bahadur Singh, has resigned. He submitted his resignation to the state governor, Mohammad Usman Arif, today. As the governor is currently away in Nainital, the chief minister sent two emissaries with the resignation letter to him. Later, speaking to newsmen in Lucknow, Mr Bir Bahadur Singh said he has resigned on the advice of the Congress-I High Command. He said the resignation has nothing to do with the results of the recent by-elections in the state.

The state Congress-I legislature party is meeting in Lucknow at 2200 tonight to elect a new leader. Announcing this in New Delhi, the AICC-I general secretary, Mr Ghulam Nabi Azad, said the party president, Mr Rajiv Gandhi, has appointed Mr H.K.L. Bhagat and Mr Bindeshwari Dubey as central observers for the meeting. Mr Azad will also be present at the meeting.

The Maharashtra chief minister, Mr S.B. Chavan, has stated that he had sought the permission of the Congress-I president to step down. His request has been accepted. The chief minister said that he would be submitting his resignation to the governor in Bombay. A meeting of the Congress-I legislature party has been convened at 1800 today in Bombay to elect the new leader.

13 'Terrorists' Arrested, 2 Killed in Punjab

BK2406035188 Delhi Domestic Service in English 0240 GMT 24 Jun

[Text] In Punjab, 13 terrorists and 20 harborers were arrested by the security forces in a massive raid on hideouts in different parts of Fardikot District last night. The district police chief told our Moga correspondent that a large quantity of arms and ammunition was seized from them. He said four terrorists were arrested when they tried to ambush a patrol party near Faridkot. A hardcore terrorist Malkiat Singh, alias Bapu Rajasthani, died after consuming poison while he was being chased by the police in Jullundur yesterday.

The state police chief, Mr Gill, said Malkiat Singh, along with another terrorist, was chased after being spotted near a local college. Malkiat Singh, carrying an award of 50,000 rupees on his head, was involved in a number of terrorist crimes. These include an attempt on the life of Mr J.F. Ribeiro [adviser to the Punjab governor] and the Ludhiana bank dacoity in which about 6 crore rupees were looted.

Elsewhere in the state, three persons including a policeman were killed and three others injured in separate incidents last night. Two terrorists were also shot dead in two encounters. In Amritsar, two terrorists opened indiscriminate fire on the family of Gurmukh Singh while they were watching TV in their house late last night. A woman and a young boy were killed and two other family members were injured in the firing. In Ludhiana, two scooter borne terrorists opened fire at a police picket near a local cinema killing a constable and injuring a head constable.

One of the two terrorists was killed when the injured head constable returned the fire. The other terrorist, however, managed to escape. In Kapurthala District, one terrorist who fired at the police party patrolling Dushibandh under Dhilwan police station was killed when the policemen returned the fire. Some arms and ammunition were recovered from the killed terrorists who are yet to be identified.

Briefs

Protocol With Afghanistan

India and Afghanistan have signed a protocol on the exchange of TV programs and personnel. The two countries will also cooperate in the training of cadres in various branches of television. [Text] [*BK2406042088 Delhi Domestic Service in English 0240 GMT 24 Jun 88*]

Iran

Musavi-Ardabili Delivers Friday Prayers Sermon

LD2406155388 Tehran Domestic Service in Persian 1230 GMT 24 Jun 88

[Friday prayers sermon delivered by Ayatollah 'Abdolkarim Musavi-Ardabili, president of the Supreme Judicial Council, at Tehran University on 24 June—recorded]

[Excerpt] [Passage omitted] Regarding the war, today I want to talk to you about duty. His eminence the imam, may his shadow lengthen, has given some thought to the war and to the command of the war in general. He has given an order and, God willing, that order will yield blessings, glad tidings, and results. Our dear brother who is himself one of the treasures of the revolution, Mr Hashemi-Rafsanjani, was put in charge of that task. It is encumbent upon all of us to support him, not just with slogans but by standing at his side. Everyone, within the limits of his ability, must offer unstinting assistance, help, and contributions. We hope that, God willing, at this point in time this issue—and it is a great issue—will yield good results in proportion to its greatness, .

Those who help, who provide the substance for the war, that human substance—apart from the economic aspect, whether great or small—are extremely important from the psychological point of view. We understand. We have been a nation at war for 8, 9 years. People are under pressure. Under such circumstances, people should give from the substance of their own lives, take something from their own lives and present it to the dear fighters

At any rate, regarding those who can give financial, material assistance, if they gave little in the past, they must give more now. You should also know that for some time the judiciary has been considering the property of the taqutis [derogatory term for wealthy and powerful people under the previous regime] who ate, stole, plundered, and fled. Some of their things remain: a garden, an orchard, a farm, a company, a factory, that sort of thing. Those things are being confiscated.

We also presented ourselves to his eminence the imam. We spoke to him and he gave us support. For the time being, all that property will be put at the disposal of the fronts and the war. Of course, I am not referring to things that were requisitioned in the past. I am referring to things that are under review now, confiscated material and material under government control. Those items will be put at the disposal of the fronts and the war, the best of all possible uses. This will be done. About 50 court orders have been issued and each order, if it (?takes some time), it will to some extent be [words indistinct].

Fighters, mobilization forces, those who must be dispatched must, with eagerness, enthusiasm, hope, hope in the grace of God and in divine wisdom [as heard].

To end my remarks, I want you to know, brothers, that there is no ging back on the road we have travelled. [crowd chants] In the name of God, the compassionate, the merciful. [Koranic verse omitted]

Spokesman Clarifies Larijani Remarks to Britons

LD2306153788 Tehran IRNA in English 1522 GMT 23 Jun 88

[Text] Tehran, June 23, IRNA—A Foreign Ministry spokesman today denied statements of the British parliamentary delegation on the Iraqi imposed war, attributed to Iran's deputy foreign minister for Euro-American affairs, Mohammad Javad Larijani.

The delegation on returning to London yesterday after its three day stay in Tehran, quoted Larijani as saying that all political groups in Iran now prefer a political solution for the imposed war to a military one, but there is no guarantee that the Iraqi regime will discontinue its aggression.

The Foreign Ministry spokesman regretting the British MPS misquoting a Larijani's statement, noted that what the Iranian official had actually said was "despite all accusations of war-mongering against Iran, it should be said that since the imposition of the war, none of Iran's political groups have doubted that a political solution is in comparison better than military action, but the main doubt is whether it is possible or not."

"When no one of the international scene is willing to express realities at present, could you hope for the implementation of justice politically," the spokesman added quoting Larijani.

The spokesman concluded that Islamic Iran will continue its holy defence until the vindication of its rights from the aggressor." [quotation mark as received]

Britain Ends Iraqi Military Training Program

LD2306165388 Tehran IRNA in English 1627 GMT 23 Jun 88

[Text] London, June 23, IRNA—The Defence Ministry has confirmed that it no longer provides military assistance to the Iraqi regime but refuses to say if the Ba'thist regime has been invited again to the British Army equipment exhibition that takes place next week.

Iraq's name, for the first time in recent years, is missing from the government's latest list of countries receiving military training from Britain and a Defence spokesman confirmed Thursday that it is "not included" amongst those getting British Armed Forces services.

The U.K. has always maintained that it has been neutral in Iraq's war against Islamic Iran but while Tehran ceased gaining military help, the Baghdad regime was included on the list until last year.

The Defence Ministry refuses to answer questions as to the type and number of personnel involved in the training, but former Foreign Minister Timothy Renton is on record in December 1986 insisting that Iraqi help was limited and was "essentially not combat-related."

The spokesman said that he could not comment on reports that Iraq was being invited to the biennial British Army equipment exhibition that opens on Sunday, saying that the ministry does "not discuss individual countries" who are attending.

The Campaign Against Arms Trade organisation (CAAT) suspected that an Iraqi delegation could again be present, as it was found to have been at the last one in 1986 when its attendence, it said, was the "most controversial of all" from amongst other dictatorships.

The Baghdad regime was also asked to the U.K.'s Navy exhibition last year, but according to CAAT, had its invitation withdrawn and did not attend due to the British Government "not wanting to seek bad publicity" that its close associations with the regime has been causing.

Signing of Compensation Agreement 'Next Week'

LD2306154688 Tehran IRNA in English 1532 GMT 23 Jun 88

[Text] London, June 23, IRNA—Talks in London on compensation payment for damage caused on respective diplomatic missions in Iran and Britain ended in agreement Thursday with letters of understanding to be exchanged next week.

The Iranian Embassy in London said that the discussions between charge d'affaires, Mehdi Akhondzadeh-Basti and the British Foreign Office, had made "satisfactory progress" with main obstacles removed and a final agreement would be signed towards the end of next week.

The success follows talks held two weeks ago with an Iranian Foreign Ministry delegation's visit to London, in which the bulk of settlement was made that was thought to have left arrangements about the mode of payment.

Under the agreement now reached it is understood that Britain will pay to Iran pounds 1.8 million for damage to its embassy when stormed by British troops in 1980 and in return Iran will pay an equivalent of pounds 900,000 in rials for its premises in Tehran.

The settlement comes at a time of a thawing of relations between the two countries that this week saw Britain send its first parliamentary delegation to Iran since the Islamic Revolution in 1979.

The Foreign Office has acted cautiously about the findings of the mission which publicly called upon its return for the government to despatch a diplomat to Tehran as part of a general process to improve ties between the two countries.

A ministry spokesman Thursday said that as yet there were no immediate plans to fill the vacancy at its embassy in Tehran but that its rotation of diplomats waas "under review all the time."

He was "not aware" that anyone had been selected to fill the vacancy left when Britain chose to withdraw the one diplomat that was left remaining after relations were virtually severed last year.

The all-party delegation unanimously proclaimed its 3-day visit to Iran as a success and further said that they would be urging the government to condemn the Iraqi regime for starting the war against Iran.

The spokesman said that it had not yet held talks with the 4-member group although Foreign Minister for Middle East Affairs David Mellor would probably do so shortly, and would prefer to hear its report before commenting further.

UN Envoy, Secretary General Discuss Toxic Gas

LD2206115588 Tehran IRNA in English 1135 GMT 22 Jun 88

[Text] Washington, June 22, IRNA—Iran's representative to the United Nations (UN) Mohammad Ja'far Mahallati discussed Iraq's deployment of chemical weapons in a meeting with the UN Secretary General Javier Perez de Cuellar, Tuesday.

During the meeting, he also talked about the latest modifications in the secretary general's plans on the Iraq-Iran war.

He mentioned that many heads of state and representatives of countries participating in the current disarmament meet expressed concern over the threats of Iraq's continuous and ever-increasing deployment of chemical weapons.

Mahallati said the secretary general would be wise to evaluate novel control systems for ensuring immediate inquiry into instances of deployment of lethal, toxic and chemical weapons within the context of the disarmament conference.

He once again deplored the delay in the despatch of experts delegation which Iran had requested about a month ago to investigate into the Iraqi deployment of chemical weapons in Iran's Kurdish-dwelling cities of Marivan and Sar Dasht. He said now that the Security Council has approved and emphasised on the dispatch of inquiry delegations there can be no good excuses for its postponement.

The secretary general agreed the importance of creation of immediate inquiry systems into the deployment of chemical weapons, and said that according to Resolution 612 the Security Council is bound to decide on cases of deployment of chemical weapons independently and fortunately the council has recently emphasised on this duty.

Despite the said statements, however, there is no news on whether the secretary general has yet commissioned a delegation to the region.

The U.N. Secretariat Office has often ignored or postponed action on Iran's repeated requests for sending a delegation to the region to investigate Iraq's periodic deployment of chemical weapons against the Iranians. In contrast, however, it has often responded promptly to Iraq's calls for sending fact-finding commissions to investigate counter-claims by the Baghdad government.

UN Probe Said 'Positive Step'

LD2306113088 Tehran IRNA in English 1119 GMT 23 Jun 88

[Text] Tehran, June 23, IRNA—"New authorities given to the UN secretary general by the Security Council for timely dispatching of experts to probe Iraq's deployment of chemical weapons is a positive step in investigating the Baghdad regime's violations of international laws," said Foreign Ministry spokesman Morteza Sarmadi here Thursday.

Sarmadi said that in numerous cases in the past UN fact-finding teams were dispatched with delay, such was the case of Iraqi chemical bombardment of the northeastern Iraqi city of Halabjah last March which claimed lives of at least 5,000 of its residents.

Sarmadi added that on June 17th Iran called on Secretary General Javier Perez de Cuellar to send a team to investigate the Iraqi deployment of chemical weapons on residential and agricultural areas in the vicinity of Baneh in Iran's Kordestan Province. However, the area has now been mopped up and not much evidence is left, he added.

Sarmadi stressed that Iran welcomes immediate dispatch of U.N. teams in future when Iraq deploys such toxic chemicals and highly appreciates efforts of UN secretary general for timely investigation of such violations.

On Iran's request to the UN for postponement of the visit to Tehran of a UN team, Sarmadi expressed the hope that in similar cases in future such delegations will be sent at once.

In conclusion Sarmadi said that in the light of the new authorities given to Perez de Cuellar, the UN and the Security Council can no longer delay dispatch of expert teams to the region for investigation of Iraqi violations.

Further Reportage on Visit of DPRK Premier

DPRK Minister, Ayatollahi Meet

LD2306201988 Tehran Domestic Service in Persian 1630 GMT 23 Jun 88

[Text] The DPRK foreign trade minister met with Mr Ayatollahi, our country's minister of mines and metals, this morning for talks.

According to a Central News Unit report, the DPRK foreign trade minister suggested that his country could import nonferric metal concentrates from Iran to process them into products required by Iran.

Meanwhile, the two sides agreed to exchange high-level experts to explore possible cooperation in the field of minerals. It was decided that following talks between the experts, the two countries will prepare and sign agreements in the field of minerals and industrial mining, and nonferric metals.

2d Round of Talks With Musavi

LD2306203688 Tehran IRNA in English 1755 GMT 23 Jun 88

[Text] Tehran, June 23, IRNA—Prime ministers of the Islamic Republic of Iran and the Democratic People's Republic of Korea (DPRK) in their second round of talks held here today afternoon expressed satisfaction over the results of the discussions and the new grounds for mutual cooperation.

In the meeting, also attended by the two countries' high-ranking officials, Premier Yi Kun-mo said that the two sides exchanged views on expansion of bilateral ties, and regional and international issues, especially Iran-DPRK common struggle against U.S. imperialism.

He stressed that his country would remain on the Iranian people's side in their struggle against imperialism.

In response, prime minister Hoseyn Musavi said that the two sides cordially exchanged views on all relevant issues and thoroughly studied cooperation in the technical field.

New grounds for expansion of Tehran-Pyongyang ties have been laid, added Musavi emphatically.

Premiers Musavi and Yi Kun-mo had an hour long private discussion before their second round of talks started.

Departs Tehran 24 Jun

LD2406075688 Tehran IRNA in English 0745 GMT 24 Jun 88

[Text] Tehran, June 24, IRNA—Prime Minister Yi Kun-mo of the Democratic People's Republic of Korea left here this morning at the end of a 4-day official visit

and fruitful talks with Iranian officials. He was seen off at the airport by his Iranian counterpart Hoseyn Musavi and Minister of Commerce Hasan Abedi-Ja'fari.

At the farewell ceremony also attended by foreign dignitaries in Tehran, the two prime ministers signed a note of understanding on fisheries, technical and mineral cooperations as well as exchange of non-oil goods.

Speaking to reporters at the airport, the Iranian premier described the visit of his North Korean counterpart as a "good" trip and said it has opened a new chapter in Tehran-Pyongyang relations.

Musavi said North Korea is among the countries which has exchanged many delegations with Islamic Iran and this he maintained, in addition to trade and industrial areas, has resulted in useful political coordinations as well. As an instance, Musavi referred to the two countries' joint anti-imperialist struggles.

Just like in the Persian Gulf, Musavi said, the U.S. is busy working out plots in the Far East too, and for this reason, he believed a coordination between Iran and North Korea in their joint struggles would be very useful.

Pointing to the two countries' membership at the Nonaligned Movement, Musavi said "We believe the movement must be strengthened through sticking to its own principles in order for it to become a real non-aligned body and regain its true identity in the international scene."

Premier Yi also in a statement before his departure described his "successful" visit to Iran as an "unforgettable impression."

In the "useful" talks he held "in an amicable atmosphere" with Iranian officials, including President 'Ali Khamene'i, Yi said they had reached agreement on further developing in scope the relations of friendship and cooperation between the two countries in many areas.

"We resolutely condemned the U.S. imperialist act of aggression and interference against the Iranian people in the Persian Gulf and expressed firm solidarity with the anti-U.S. struggle of the Iranian people," he said in the statement.

"Both sides have expressed the unanimous views to cope with the increasingly naked act of the U.S. imperialists in a common action and strongly denounced the expansionist and racist policy pursued tenaciously by the South African authorities in this region.

"We are very satisfied with the excellent result of our visit this time and will do every possible effort to further consolidate and develop the friendly and cooperative relations between the two countries.

"We will always advance forward firmly hand in hand with the Iranian people in the struggle for the common cause against imperialism."

Saudi Hizballah Pledge To Obey Khomeyni

LD2306210688 Tehran in English to Europe 1930 GMT 23 Jun 88

[Text] Following the announcement of difficult and non-Islamic conditions for the pilgrims to the house of God by the Hijaz regime, the Hijaz Hizballah, releasing a statement called these acts of the subservients of imperialism as an insult to the Islamic ummah. Hijaz Hizballah, referring to last year's catastrophe of the massacre of pilgrims to the house of God by the rulers of the Hijaz regime, said that that regime, upon the order of the world arrogance, has publicly declared its hostility and enmity towards Muslims, preventing them from performing their religious duty. In this statement, the Hijaz Hizballah has considered obedience to the decrees of Imam Khomeyni, the leader of the Islamic ummah, as a duty by Muslims all over the world.

Afghan Group Vows 'Struggle Will Continue'

NC2406082788 Tehran Domestic Service in Persian 0430 GMT 24 Jun 88

[From the "News Reports" program]

[Text] Our report deals with the statement issued by Afghanistan's Nasr Organization on the 9th anniverary of the bloody uprising of Kabul's Muslim people against the regime ruling Afghanistan as an expression of their rejection of any type of compromising political talks with the occupiers.

One part of the statement describes the dimensions of the bloody uprising of Kabul's Muslim people on 23 June 1979 as a turning point in the all encompassing resistance by the revolutionary and Muslim nation of Afghanistan. It says: After 14 months of communist rule, during which time the religious values of Afghanistan's Muslim ummah were trampled, a spark of uprising and liberation suddenly became visible within the people. This spark was ignited by the most deprived strata of workers and the most oppressed people of Kabul, the same people to whom the coup d'etat regime had promised bread, clothing, and houses. This bloody uprising became the prologue to the awakening of the oppressed Afghan nation in other areas.

Another part of the statement renews allegiance to the martyrs of this fateful uprising in order to achieve final victory against the joint forces and Najibullah's puppet regime, and points out: We pledge allegiance to the spirits of our martyrs that we will continue to follow their path until our last breath, until final victory, and until the establishment of the rule of Islamic justice. Moreover, we will never be deceived by the new plots and ploys of colonialism and arrogance and will never

yield to an atheist, dependent, mercenary and anti-Islamic regime. Despite the signing of the so-called Geneva accords by the Soviet Union and the United States and despite the commotion over peace, reconciliation, and coalition rule, the armed struggle will continue.

Phone-In Program Discusses Security Issues
LD2306181488 Tehran Domestic Service in Persian 1130 GMT 23 Jun 88

["In Line With the People, in Step With the Officials" live phone-in program with Mokhtar Kalantari, acting commander in chief of the Islamic Revolution Committee; Seyyed Mahmud Mirlohi, head of the Commander in Chief's Staff for Intelligence and Operations; and Morteza Najafi, head of intelligence and operations of Tehran Province, moderated by unidentified correspondent]

[Excerpts] [Passage omitted] [Moderator] Would you please discuss the constitution of the Islamic Revolution Committee and its activities, duties, and responsibilities?

[Kalantari] Regarding the tasks assigned to us according to the constitution of the Islamic Revolution Committee, I must say that this organ is fundamentally linked with the judiciary. There are a number of basic tasks in which the Islamic Revolution Committee serves as the only link between the judiciary and the executive, and it is the only operational organ and center for these tasks. There are a number of other tasks in which the committee is not the main axis, but it contributes to them.

The tasks for which the Islamic Revolution Committee are completely responsible are: the struggle against narcotics, the struggle against prohibited sins, the struggle against smuggling, maintaining the country's security, and supervision of public places. These are the five main tasks of the Islamic Revolution Committee.

The tasks in which it can participate, but not with a central role, are participation in the battle of right against wrong, in frontier security, and in relief work. There are tasks assigned by the honorable Council of State Security which include security of the tribes and strategic mountain summits, as well as arming of the Hezbollah. The committee has made plans in these fields and is busy fulfilling its mission. [passage omitted]

[Moderator] Regarding the antinarcotics operation, what plans have been fulfilled, and what plans are under way?

[Kalantari] As we have said repeatedly, the Islamic Revolution Committee has drawn up a detailed plan to eradicate narcotics, a plan that has been implemented for the past several months. We have stressed that if we want to eradicate narcotics in our country we must seal the frontiers. We must confront the smugglers who smuggle and distribute narcotics in our country. I do not mean that we must imprison or fine them; we believe that principled confrontation with smugglers means executing them. We believe any sentence other than execution will be ineffective. Therefore, the Islamic Revolution Committee has implemented the plan of setting up detention camps. Although these plans have just begun—we cannot say that the frontiers are sealed and narcotics are not being smuggled in—they have been very effective. [passage omitted]

[Moderator] Mr Mirlohi, information has been requested about the tribal security project. In which of the provinces has this project been implemented and what are the results?

[Mirlohi] The Government of the Islamic Republic, on the basis of its fundamental policy of supporting the deprived and oppressed in society, has certainly been giving attention to the tribes and continues to do so, thanks to God. We have devised some programs and plans whereby the tribes themselves may be able to eliminate their difficulties and be stronly supported. The Supreme Tribal Council was organized for this purpose and it has emerged as a strong and suitable organ for supporting the country's tribes, chaired by his excellency the prime minister.

This council has approved a variety of projects, including training, educational, economic, security, and cultural projects, in its plan to support the tribes. One of these projects concerns tribal security.

As you know, there were a lot of tribal chiefs who fled from the cities. In some isolated areas, they are still capable of oppressing the deprived and oppressed strata. The deprived and honorable tribes economically support the country's agricultural sector—they do most of the livestock breeding in the agricultural sector. However, according to information we have received, they were being subjected to harrassment and bullying and for this reason a revolutionary institution was formed as one of the fundamental policies of the Islamic Republic, to support the tribes' rights to security and protection.

The committee was requested to set out and present a plan. Thanks to God, after the State Security Council approved it, the political and social commission of the Supreme Tribal Council approved it and the Supreme Tribal Council approved it last year. Ten first-class outposts and 30 second-class outposts were initially set up as the first part of this project. According to the information we have as of now, thanks to God the brothers were successful in this project. The project has now been put into practice in 13 provinces or is beginning to be implemented, particularly in Yasuj, Chahar Mahall va Bakhtiari, and Kerman Provinces and in provinces in which the tribes predominate. Our brothers are implementing this project and the committee is determined to act on the basis of this approved project, even in distant places that are difficult to reach. [passage omitted]

As for facilities, training, and recruitment of manpower, the preliminaries have been prepared and I announce, right here, to the dear tribal people, that those who have the talent and ability to cooperate should come forward and declare their readiness to cooperate so that, God willing, they may be employed by the committee and start working in this area. [passage omitted]

[Moderator] There have been two telephone calls from our listeners. The first brother asked about corruption in society and issues raised by Mr Hashemi-Rafsanjani in the Friday prayers sermons. This brother wanted to know what steps the committee has taken in this area. Then there was the question of addiction. Our listeners would like to hear more on this issue. Mr Kalantari, would you please begin?

[Kalantari] I want to emphasize one thing here: Our dear listener, and everyone else, expects the Islamic Revolution Committee to have a more decisive and serious approach to these social problems and difficulties. For instance, if people notice that some people in the streets are not following the rules about wearing Islamic clothing, they expect the committee to immediately clear such people from the streets. [passage omitted] Thus, the point should be made clear that the Islamic Revolution Committee is the enforcing agency of the judiciary, and its overall share in the approach to these social problems and difficulties is very small, whereas the expectations have increased tremendously.

For example, in connection with the question of smugglers, if the Islamic Revolution Committee wants to implement a plan, to arrest an addict, a smuggler, if the committee brothers enter a house, then we must first obtain from the courts a writ for detaining and arresting people. After the brothers receive this writ, they still must pass on to the courts the completed files of the persons they have detained. After this, the fate of these people—their rehabilitation or whether they go to prison—is not in any way the responsibility of the Islamic Revolution Committee. Even so, in these cases also, a writ is issued only when the offense in question has been proven beyond a shadow of doubt. If we cannot prove it, we cannot take any action. [passage omitted]

However, taking into consideration these limitations, the Islamic Revolution Committee performs its duties. For instance, there is also the duty of guarding the frontiers: The committee has now a very elaborate project for closing the borders. At present, there is an outpost every 10 km along the 400 km long border for which the Islamic Revolution Committee is responsible. The committee has also set up tents at every kilometer and visual contact is maintained between those points in order to keep smugglers from entering the country. These are the tasks that the committee carries out. [passage omitted]

[Moderator] Thank you. One of the questions that you have not answered concerns the nature of your cooperation with the Ministry of Intelligence.

[Kalantari] Thanks to God, we have close collaboration with the Intelligence Ministry. In connection with the minigroups, those members who are captured in the mountain passes or in provinces or anywhere in the country, are handed over to the Ministry of Intelligence after their file is completed. This shows that good collaboration exists between the Islamic Revolution Committee and the Intelligence Ministry. Thanks to God, the committee and the ministry have no problems in this connection. [passage omitted]

We have come to the conclusion that, in order to destroy narcotics, two fundamental steps should be taken. One involves executive work, for which the revolution committees are at the moment making plans regarding its security and executive aspects. The second step is to stiffen punishment in tandem with carrying out educational work. At the moment, all our attempts are aimed at ensuring that the media and all those in charge of the news media and in charge of executive and judicial affairs should reach a joint, common position on narcotics. All the efforts of the revolution committees have brought matters to the present point, and everyone is now working in harmony in one direction, with a principled, clear and joint policy.

We believe that, as the executive work of the committees advances, the other step on tougher punishments—which, unfortunately, are not enforced at the moment; executions have not been carried out for some time—will also be resolved in the near future. We can say that after removing this obstacle we can speedily resolve and eliminate the narcotics issue, and we shall take full advantage of these plans. [passage omitted]

Construction Jihad's Landing Craft Launched

LD1806040988 Tehran Domestic Service in Persian 1030 GMT 17 Jun 88

[Text] According to a report from the Central News Unit, on the anniversary of the establishment of the Construction Jihad the largest landing craft built by the Construction Jihad was launched in Bandar-e 'Abbas. According to the Central News Unit, the craft, which was launched this morning in special ceremonies, weighs 200 tons. In addition to performing various various naval operations it can also transport more than 250 tons of cargo. When needed by the Construction Jihad or for transporting equipment to the fronts it can speedily and with great maneuverability load and unload different types of loaders and bulldozers and heavy machinery. This vessel, which is called "Sea Lion-101," was designed and built in 1 year by the experts of the engineering section of the War Support Department of the Construction Jihad in the Nuh-e Nabi shipyard.

Mobilization Forces Depart From Chalus

LD2306122988 Tehran Domestic Service in Persian 1030 GMT 23 Jun 88

[Text] A number of fresh mobilization forces from the cities of Qa'emshahr, Babol, Amol, Babol Sar, Nur, Now Shahr, Chalus, Tonekabon, and Sakht Sar today left Chalus for the battlefronts.

According to an IRNA report, a number of mobilization forces from the town of Bandar-e Torkeman also left for the fronts yesterday amid chanting and a warm send-off by the people of their town. According to the same report, yesterday a number of the employees of the municipality of Gomishan also left for the fronts.

Combat Operations in War With Iraq Continue

Communique No 3,242

LD2306170288 Tehran IRNA in English 1639 GMT 23 Jun 88

[Text] Tehran, June 23, IRNA—Iranian naval units, in addition to controling shipping yesterday, closely monitored movement of foregn warships in the Persian Gulf and the Gulf of Oman and also Iraqi vessels in the Khawr 'Abdallah waterway and around the Al-Bakr and Al-'Amayah oil platforms, said a military communique here Thursday.

The 2342nd Joint Staff communique said that Iran's Muslim combatants continued shelling Iraqi positions and supply routes throughout the fronts Wednesday, killing and wounding an undetermined number of enemy soldiers and destroying several gun emplacements and a munitions dump of theirs.

Iranian artillery fire repelled Iraqi patrol units in Qasr-e Shirin, western sector, yesterday, killing and wounding several enemy patrolmen.

Some Iraqi vehicles were damaged when an Iraqi motorized column moving in Maymak, western fronts, yesterday was hit by Iranian artillery fire.

A number of Iraqi soldiers were killed or wounded and several enemy bunkers destroyed in artillery duels with Iranian Gendarmerie forces Wednesday, concluded the communique.

Iraqi Planes Overfly Orumiyeh

LD2406111288 Tehran Domestic Service in Persian 1030 GMT 24 Jun 88

[Text] At 0930 and 0940 today, the air space of the cities of Orumiyeh and Saqqez was violated by aircraft of the aggressor Iraqi regime. According to an IRNA report, the enemy aircraft flew at a very high altitude and broke the sound barrier when leaving these regions.

Kurds Attack Bases in Iraq

LD2306191188 Tehran IRNA in English 1730 GMT 23 Jun 88

[Text] Orumiyeh, West Azarbayjan Prov., June 23 IRNA—Iraq's Kurdistan Democratic Party (KDP) forces captured two Ba'thist military bases and destroying all installations and equipment inside them, in Dahuk Province, northern Iraq over the past week.

The KDP forces also captured nine Iraqi troops stationed in the bases located in Sina heights overlooking Dahuk city. A considerable amount of munitions and weapons as well as a wireless set were seized intact by the Iraqi Kurdish peshmerga.

Meanwhile, KDP peshmerga also ambushed Iraqi army units in Al-'Amadiyah and Diyanah-Kuh-e Kav, Irbil Province killing some 11 Ba'thist troops, injuring seven and capturing three others over the past few days.

'Martial Law' Reportedly Imposed in Tehran

TA2306045188 (Clandestine) Iran's Flag of Freedom Radio in Persian 1630 GMT 22 Jun 88

[Text] Reports from the capital indicate that agents of the Islamic Republic regime, as of 2000 local time, are strictly controlling the people's activities in Tehran's streets and alleys and are checking the identity of car passengers.

Our fellow strugglers add in their report that the regime, by this means, has in practice imposed martial law in Tehran. It is being said in the capital's informed circles that this decision is connected to Khomeyni's imminent death. The Islamic Republic regime is trying to intimidate the people with such measures, but so far it has not achieved any success in this connection. In return, the scope of street demonstrations against the regime and Khomeyni himself is escalating daily.

Majlis Speaker Said To Arrest IRGC Commanders

TA2306045388 (Clandestine) Iran's Flag of Freedom Radio in Persian 1630 GMT 22 Jun 88

[Text] Citing sources close to the Islamic government, our fellow strugglers have reported that in recent weeks 10 to 15 IRGC commanders and senior officials of the Mobilization Corps were detained and imprisoned on the orders of 'Ali Akbar Hashemi-Rafsanjani. These individuals were accused of negligence in the command of their units at Shalamcheh, Al-Faw, and Halabjah.

By dismissing these individuals and bringing them to trial, 'Ali Akbar Hashemi-Rafsanjani intends to intimidate his opponents in the IRGC so that they will not stage a coup against the regime in the wake of Khomeyni's death.

Troops Urged To Leave Khomeyni's Armed Forces

NC2306190888 (Clandestine) Voice of the Crusader in Persian 0645 GMT 22 Jun 88

[Text] The Iranian National Liberation Army [INLA] warns all military personnel and Armed Forces under Khomeyni's command that Iran has only one army—the INLA. The army of peace and liberation, the INLA is the only guarantor of Iran's existence, independence, and integrity. There is no army except the INLA. The armed forces serving Khomeyni, along with the antihuman IRGC, are only one of the Khomeyni government's buttresses and completely expose the repressive torture machinery of the unholy tyrant of Jamaran. We issue a last warning to all those in Khomeyni's armed forces: If you remain, for whatever reason, in Khomeyni's armed forces—in total opposition to the higher interests of the Iranian people—this will be viewed as unjustifiable treachery. Therefore decide, while there is still time, to leave the camps of crime and deceit and of war and repression and join the proud ranks of the INLA.

Tudeh Leaders Meet With E. European Party Chiefs

TA2306182288 (Clandestine) Iran's Flag of Freedom Radio in Persian 1630 GMT 23 Jun 88

[Text] We have learned that leaders of the Tudeh Party in Europe, particularly in West Germany, have recently resumed their activity and are making great efforts to resurrect this dead (?corpse). Reports indicate that Tudeh Party leaders, most of whom live in West Germany, made numerous trips last month to East European countries, meeting with Communist Party leaders there.

It is worth noting that several major defections have taken place in the Tudeh Party during the past 9 years. It can therefore be said that nothing currently remains of this party but a few names and a filthy legacy.

Briefs

Narcotics Seized in Kerman

Tehran, June 18, IRNA—Some 4,700 kgs of heroin and opium were seized from 180 smugglers by personnel of the Islamic Revolutionary Committees (IRC) in Kerman Province since last February, said an IRC commander Saturday. The commander said that 120 weapons of various kinds, 12,000 rounds of bullets, 120 vehicles and motorcycles and several generators and video sets were also seized from the arrested smugglers over the same period. He added that another 60 smugglers were killed in shootout with the IRC personnel in the desert north of Bam city, in the same southeastern province, since last February. [Text] [*LD1906030488 Tehran IRNA in English 1430 GMT 18 Jun 88*]

Pakistan

Indian-Israeli Collusion Sparks 'Serious Concern'

BK2406025988 Islamabad Domestic Service in Urdu 0200 GMT 24 Jun 88

[Text] Pakistan has expressed serious concern at the recent reports published in the international press about increased possibility of India-Israel collusion to attack Pakistan's nuclear installations. The reports justifiably arouse concern in Pakistan as well as among its friend abroad in the wake of a prospective upgrading of Indian-Israeli relations. Pakistan is fully cognizant of its responsibilities and has taken all the necessary measures to effectively defend its nuclear installations. It will not countenance any act of aggression and the would be aggressor will be made to pay a heavy price for its adventurism.

It may be recalled that Pakistan and India had reached an understanding on not attacking each other's nuclear installations which was announced at a joint news conference in New Delhi in December 1985 by the Pakistani president and the Indian prime minister. Both countries are now engaged in producing the written form of this verbal understanding.

Indian leaders, without any basis in fact, have also kept repeating their allegations of Pakistan's involvement in India's internal affairs. Pakistan has categorically stated on several occasions that it strictly adheres to the policy of noninterference in the internal affairs of other countries.

Pakistan also regrets that Indian leaders, without bothering to ascertain the facts, are repeating unsubstantiated Kabul-Moscow allegations of Pakistan's violation of the Geneva accord on Afghanistan. Rather than this, it is imperative for the promotion of peace and good-neighborliness that India respond positively to Pakistan's constructive efforts to normalize relations.

Commentary on 'Strike' Plan

BK2206090988 Islamabad Domestic Service in English 1600 GMT 21 Jun 88

[Ghani Erabi commentary]

[Text] An American paper, THE NEW YORK TRIBUNE, has exposed the inside story of a deal between the Indian prime minister and Jewish leaders in the U.S.A. led by Congressman Stephen Solarz at their 8 June meeting in New York. The weekend paper claims in return for India's upgrading of its diplomatic relations with Israel, the Jewish leaders would use their influence to rein in Washington's military assistance to Islamabad. But more serious is THE TRIBUNE report that India's primary aim in improving relations with Israel is to seek what the paper called Israeli help in blunting Pakistan's nuclear program with, perhaps, a joint plan of action.

Both India and Israel have long thought to knock out Pakistan's nuclear installations, lest the so-called Islamic bomb challenges Israel's hegemony in the Middle East and India's in South Asia. Both possess their own bombs in the basement, but neither wants any other country in the region to acquire nuclear capability. This community of interest has brought them together in a plan to launch a preemptive strike against Pakistan. Having successfully made such a strike against Iraq's nuclear reactor outside Baghdad in 1981, Israel claims the edge of military know-how, but India has the advantage of proximity to the target—less than 100 miles through the maze of mountains from Srinagar to Kahuta.

Both Israel and India have secretly assessed prospects of a strike. Israel's Defense Minister Ari'el Sharon in 1981 listed Pakistan as among those potentially confrontational states who Israel would not want to gain access to nuclear weapons. An American Jewish leader, Professor (Amot Perlumuta) made a special study of the Israeli threat to Pakistan and told a Washington seminar in 1985: Pakistan's nuclear development sharpens in the Israeli mind the boundaries of conflict. And while he did not think Israel was going to do another Baghdad, a lot depended, he thought, on who was in power in Israel. A [word indistinct] might think, he added ominously, Islamabad was only a few minutes away.

India's top secret plan to hit Kahuta leaked out to the world amid the pile of secret papers pilfered from the Indian prime minister's office and sold to the highest bidder. India's secret designs against Pakistan were disclosed to the U.S. Senate Intelligence Committee on 14 September 1984 and the disclosure shook the world. So seriously was the threat taken that the U.S. Administration set up an interagency task force to handle the Indian threat on a crisis footing.

There have also been reports in the world press from time to time of feelers by both India and Israel for coordination of efforts. There were stories of secret exchange of visits by Israel's Moshe Dayan and India's MP's, scientists, and military experts as evidence of an overall Indo-Israel desire to draw closer. An Israeli MP, Rabbi Me'ir Cohen, said in Washington some 2 years ago, India and Israel were working together on a plan to carry out strikes against Kahuta in fulfillment of their common interest to eliminate the threat of a Pakistani bomb.

However, the Indo-Israeli desire to hit Pakistan's nuclear facility has not materialized so far because of the Israeli refusal to go it alone and the Indian unwillingness to join the venture. India's reluctance stems from the fear that any Indian attack on Kahuta will trigger a series of counterstrikes by Pakistan against India's widespread nuclear installations that will release a deadly burst of Hiroshima style nuclear radiation.

Foreign Minister To Visit China 26 Jun

BK2206160188 Islamabad Domestic Service in Urdu 1500 GMT 22 Jun 88

[Text] Foreign Minister Sahabzada Yaqub Khan is to begin a state visit to China on Sunday [26 June]. He will hold talks with PRC Foreign Minister Qian Qichen on international and regional issues, as well as bilateral relations. China and Pakistan regularly hold high-level exchanges of views. The selection of China for the foreign minister's first visit abroad reflects the deep friendship between the two countries and testifies to the fact that Pakistan attaches great importance to further strengthening mutual trust and cooperation.

UN Observer Team Visits Afghan Border Areas

BK2406041388 Islamabad Domestic Service in Urdu 0200 GMT 24 Jun 88

[Text] An UN observers team was taken to the Quetta and Chaman areas [in Baluchistan] at the request of the UN Good Offices Mission on Afghanistan and Pakistan. The team visited Federal Investigation Agency Model Post, Shabaz Qilli, Alizai, (Suigaon), (Doghara Karez), (Rodney Post), Sangsilla Gaon, and Chaman Militia Camp. The UN observer team also visited an Afghan refugee tent village and inspected those areas where the Kabul regime recently fired artillery shells and missiles in violation of the Geneva accords.

At Shahbaz Qilli, the team inspected the buildings destroyed in a bombing by Afghan aircraft. The Afghan refugees talking to the team personnel said that they are free to go back to their homes, but they would not leave Pakistan until the present Najibullah regime is replaced by an Islamic government. The team, which is now in Peshawar, will soon start visit to Chitral, Banu and Meran Shah.

Ziaul Haq Appoints Acting Governor of Sind

BK2406032088 Islamabad Domestic Service in Urdu 0200 GMT 24 Jun 88

[Text] The president has appointed Retired General Rahimuddin Khan as acting governor of Sind. He is expected to take the oath of office today in Karachi. Mr Asharaf Tabani has relinquished on personal grounds.

Baluchistan Caretaker Chief Minister Sworn In

BK2406084388 Islamabad Overseas Service in Urdu 0800 GMT 24 Jun 88

[Text] Mir Zafarullah Khan Jamali was sworn in as caretaker chief minister of Baluchistan at a simple but impressive ceremony in Quetta today. The provincial governor, Retired General Mohammad Musa, administered the oath. The federal minister for labor, manpower and overseas Pakistanis, Mian Ahmed Nawaz Khan Bugti, Minister of State for Communication Sardar Fateh Mohammad Mohammad Hasani, Speaker of Baluchistan Assembly Malik Sarwar Khan Khakar, senators,

former MNA's [Members of National Assembly], and MPA's [Members of Provincial Assembly] and senior officials were also present on the occasion.

Earlier, on his arrival in Quetta this morning, Mir Zafarullah Khan Jamali, in a brief chat with newsmen said his foremost (?duty) as the caretaker chief minister of Baluchistan will be to serve all sectors of the population without discrimination.

Differences With Bhutto Cited in Opposition Split

BK2406034888 Delhi Domestic Service in English 0240 GMT 24 Jun

[Text] The former Pakistan prime minister, Mr Junejo, says that he will oppose any move to replace the present system of government by the presidential form of government. Speaking at a meeting in Karachi, he said the dismissal of his government and the assembly represents an end to democracy in the country.

Meanwhile, there has been a split in the opposition alliance. The Pakistan National Party has decided to quit the eight-party alliance, Movement for Restoration of Democracy, following differences with the leader of Pakistan People's Party, Mrs Benazir Bhutto.

U.S. Report on Indian Arms Buildup Viewed

BK2406071988 Islamabad Domestic Service in English 1600 GMT 23 Jun 88

[Ghani Erabi commentary]

[Text] A U.S. Senate panel has deplored India's military buildup and also its refusal to address the nuclear proliferation problem on a regional basis. The occasion was [word indistinct] of the 1989 allocation of $430 million for Pakistan, and the American concern was expressed in an explanatory report by the Senate Appropriations Subcommittee for Foreign Operations. Seeing India was not threatened by any power, the subcommittee said it is difficult to understand why India was investing so much money in the continuing buildup of the predominantly military establishment in the region. Such massive investment in military buildup was being made by India, the Senate panel noted, at a time the World Bank and other financial institutions were spending considerable sums of money on meeting India's developmental needs.

The panel expressed even greater concern at India's refusal to address the issue of nuclear nonproliferation as demonstrated, to quote the report, by India's near hysterical reaction to the committee's proposal last year. The proposal had sought to treat India and Pakistan on par and apply equally to both any prohibitions under U.S. nuclear nonproliferation legislation. The panel has dismissed India's response as designed to delay progress rather than move the dialogue forward on nuclear nonproliferation, and in an obvious reference to Pakistan's specific proposals, it [U.S. panel] has urged the Government of India to look positively on regional proposals of nuclear nonproliferation and to actively undertake negotiations on this issue in the near future.

The U.S. committee, headed by Senator Daniel Inouye, has further noted with concern that India has decided to introduce nuclear submarines into its navy and recently tested a surface-to-surface missile with nuclear capabilities and a range of 250 kilometers. India's nuclear ambitions have further been confirmed by the investigative reporting of the highly reputed West German news magazine DER SPIEGEL. It has come to the conclusion that the heavy water shipments from Norway meant for West Germany were illegally diverted to India. Heavy water or deuterium oxide is mixed with plutonium to produce nuclear weapons.

Carnegie Institute's scholar (Leonard Spector) has said this is not the first time that India has received materials specifically for nuclear arms production. Back in 1985 a shipment of heavy water from the Soviet Union for a West European country was similarly diverted to India.

Another research scholar, Professor (Malholan), has said India also clandestinely imported 100 tons of plutonium between 1980 and 1985 through the same Dusseldorf firm of (Alfred Hampel) that has helped India smuggle in heavy water. This has left experts in no doubt that India, which test exploded a nuclear device in 1974, has built up an arsenal of some 20 to 40 Nagasaki-style nuclear bombs which exposes in one go the duplicity of India's propaganda campaign against Pakistan. It is (?cause) for some satisfaction that the world, as shown by the U.S. Senate panel's forthright indictment of India, has begun to think where the truth lies.

Violence in Sind Towns Continues; Curfew in Dadu

BK2406022588 Islamabad Domestic Service in Urdu 0200 GMT 24 Jun 88

[Text] The Dadu District administration has imposed curfew in the entire Kotri police station area except in (Saiteria). According to an official press note, the action was taken following some incidents in which three persons received gunshot injuries. One of them later succumbed to his injuries. The curfew in the Kootri police station area will be relaxed from 1300 to 1430 hours today.

Curfew restrictions in Hyderabad will be relaxed today from 0700 to 0900 and then again from 1300 to 1430 hours. According to a press note issued by the Hyderabad District administration, four miscreants travelling in a bus forced the driver to stop near Matiari and started firing in which two persons were injured. A police squad has been sent to arrest the miscreants. During the curfew relaxation period yesterday one shopkeeper received gunshot injuries. He has been admitted to a hospital. Four persons were arrested.

3 Killed, 1 Injured in Hyderabad Violence

BK2306154088 Islamabad Domestic Service in Urdu 1500 GMT 23 Jun 88

[Text] A press note issued by the District Magistrate of Hyderabad says some miscreants fired on a vehicle near Gudhari village under (Hatri) police station area yesterday evening, killing three persons and injuring one.

According to another press note issued by the Dadu District Magistrate today, the situation in the district was peaceful, satisfactory, and under control. One person was shot dead in Khairpur Nathan Shah and another injured in Kotri last night.

Economic Survey Warns of 'Fiscal Imbalance'

BK2306165088 Islamabad Domestic Service in English 1600 GMT 23 Jun 88

[Text] The gross domestic product recorded a growth rate of 5.8 percent in 1987-88. An increase of 4.8 percent in farm products and 7.6 percent in the industrial sector contributed to it.

An economic survey released in Islamabad today indicates that 50 percent of the growth during the year ending 30th of this month, was contributed by two major sectors—agriculture and industry—while the share of services was 33 percent. The food situation remained satisfactory.

Total investment during the year was estimated at over 112 billion rupees in current prices, representing an 8.6 percent increase over last year. Exports rose by 23 percent in dollar value in the first 9 months of the year, while imports increased by about 16 percent. Inflation rate during the year was estimated between 6 and 7 percent.

The survey warns of a fiscal imbalance and calls urgent attention to the growing budget deficit. It says the economy during the current year was adversely affected by various economic pressures from the beginning. These included drought conditions, inhospitable protectionism and deterioration of terms of trade, repeated violence in Karachi and withdrawal of budgetary proposals on the 4th of June last year and their replacement by a new one. It also speaks of population and employment pressures.

Explaining the salient features of the survey at a news conference, the principal economic adviser to the government, Dr Moinuddin Bakai, spoke of a [words indistinct] maintained by the economy, which he said indicated a promise of sustained growth in the future.

Sri Lanka

TULF Leader Amirthalingam Returns From India

BK2306152488 Hong Kong AFP in English 1429 GMT 23 Jun 88

[By Amal Jayasinghe]

[Text] Colombo, June 23 (AFP)—Sri Lanka's top Tamil politician returned here on Thursday after two years of self-imposed exile and said the presence of Indian troops on the island was "absolutely necessary" for the safety of the Tamil minority.

Appapillai Amirthalingam, general secretary of the Tamil United Liberation Front (TULF), said in an interview with AGENCE FRANCE-PRESSE here that Indian forces should stay for some time longer to ensure the "safety and security of Tamils," particularly in Sri Lanka's multi-ethnic Eastern Province.

Mr Amirthalingam, 61, has been living in the south indian city of Madras since 1983 but visited Colombo in August 1986 for talks with the government. He returned to Madras after the negotiations aimed at ending a Tamil separatist campaign broke down.

"In the past five years, our (Tamil) people have suffered riots, attacks by Sri Lankan Armed Forces, losses of life and property, none of which had been compensated," Mr Amirthalingam said. "We want to see what can be done."

Political sources here said his return had the government's approval. There was tight security at a government-owned hotel where he was staying.

Mr Amirthalingam called for the unity of all Tamil militant groups and moderates to establish peace in the island's troubled north and east.

The TULF, Sri Lanka's main Tamil political party, and most of the guerrilla groups accepted the New Delhi-backed July 1987 peace pact which sought to end the struggle for a separate Tamil homeland called Eelam.

But the dominant Tamil separatist group, the Liberation Tigers of Tamil Eelam (LTTE), rejected the Indo-Sri Lanka peace accord and continued to attack rival rebels in a bid to lead the homeland campaign.

"We want to bring all the (militant) groups together. That is what we think is the best for our people. We can't have contest and conflict now. Our people have suffered enough," Mr Amirthalingam said.

He said talks between Indian officials and the LTTE were continuing in an effort to end the LTTE's eight-month bush war against some 52,000 Indian soldiers stationed in the north and east.

"How soon a finality will be reached is difficult to say. The longer it (talks) drags on, the worse it will be for our people," Mr Amirthalingam said, adding that he hoped peace would be restored soon.

He said the LTTE could play a "very significant" role in the political process in an autonomous council for the two provinces.

"The work we were doing in India is almost over. There are problems that must be attended to here (in Sri Lanka)," Mr Amirthalingam said without elaborating.

The LTTE had passed a death sentence on Mr Amirthalingam three years ago, but he said he was not deterred adding that any decision by the TULF was not influenced by the threat.

"My death is in the hands of God and not in the hands of anyone else," he said. However, he said it was unlikely that he would visit Tamil majority areas immediately.

The TULF general secretary was accompanied by TULF President Murugesu Sivasithamparam, who has also been living in Madras, where all Sri Lankan Tamil groups maintain offices.

The two men are expected to hold talks with President Junius Jayewardene, Indian High Commissioner here Jyothindra Nath Dixit and opposition leaders.

They are due to discuss the prospects of holding regional elections in the north and east to set up a provincial council giving limited autonomy to the island's two million Tamil minority in line with the July accord.

Indian Troops Kill 15 LTTE Men in Vavuniya

BK2306161088 Delhi Domestic Service in English 1530 GMT 23 Jun 88

[Text] In Sri Lanka, 15 LTTE [Liberation Tigers of Tamil Ellam] men were killed in an encounter with the peacekeeping forces [PKF] in the Vavuniya sector. The PKF raided and destroyed an LTTE base at a place northeast of (Tonakai) and (Bishmadu) forest.

The PKF spokesman told our correspondent, S. Sundaram, that the LTTE is now indulging in forced recruitment of youths in Jaffna. Four students, who were taken to Mannar by the LTTE, were later rescued.